

# Village hall is left in 'financial limbo' after being 'debanked' by Barclays over an administrative issue

The matter came to prominence after Nigel Farage was debanked by Coutts

By ANDREW LEVY  
PUBLISHED: 02:09 BST, 22 December 2023 | UPDATED: 07:22 BST, 22 December 2023

Share | WhatsApp | Telegram | Facebook | Email | Print | 42 View comments

A village hall has been left in 'financial limbo' and facing closure after it was debanked by Barclays over a minor administrative issue.

Wiggenhall St Germans Memorial Hall had a healthy balance of more than £14,000 before it was caught up in the scandal that has seen clients ditched without notice because they allegedly pose a legal or reputational risk.

The matter came to prominence after Nigel Farage was debanked by Coutts.



The bank's owner, NatWest, initially claimed he had failed to meet the eligibility criteria of having at least £1million in his account but it later emerged his political views had been taken into account.

The hall, in a small village near King's Lynn in Norfolk, has been unable to pay for insurance, its music licence and even its cleaner since its funds were effectively frozen by Barclays.



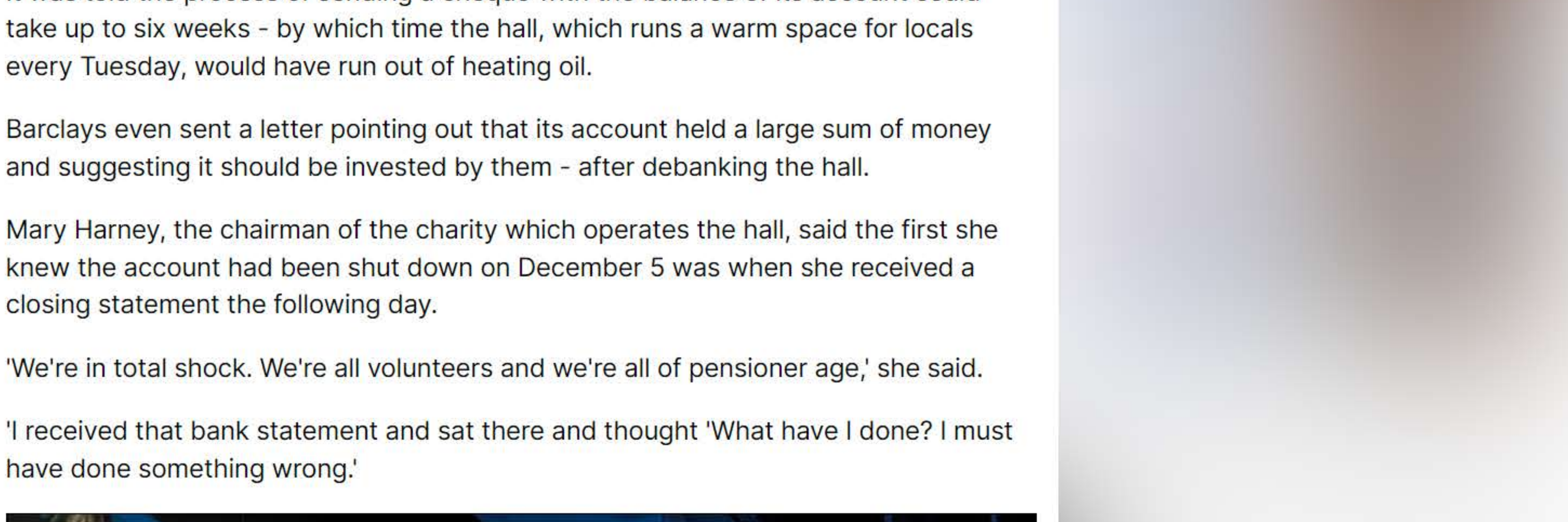
It was told the process of sending a cheque with the balance of its account could take up to six weeks - by which time the hall, which runs a warm space for locals every Tuesday, would have run out of heating oil.

Barclays even sent a letter pointing out that its account held a large sum of money and suggesting it should be invested by them - after debanking the hall.

Mary Harney, the chairman of the charity which operates the hall, said the first she knew the account had been shut down on December 5 was when she received a closing statement the following day.

'We're in total shock. We're all volunteers and we're all of pensioner age,' she said.

'I received that bank statement and sat there and thought 'What have I done? I must have done something wrong.'



Barclays even sent a letter pointing out that its account held a large sum of money and suggesting it should be invested by them - after debanking the hall

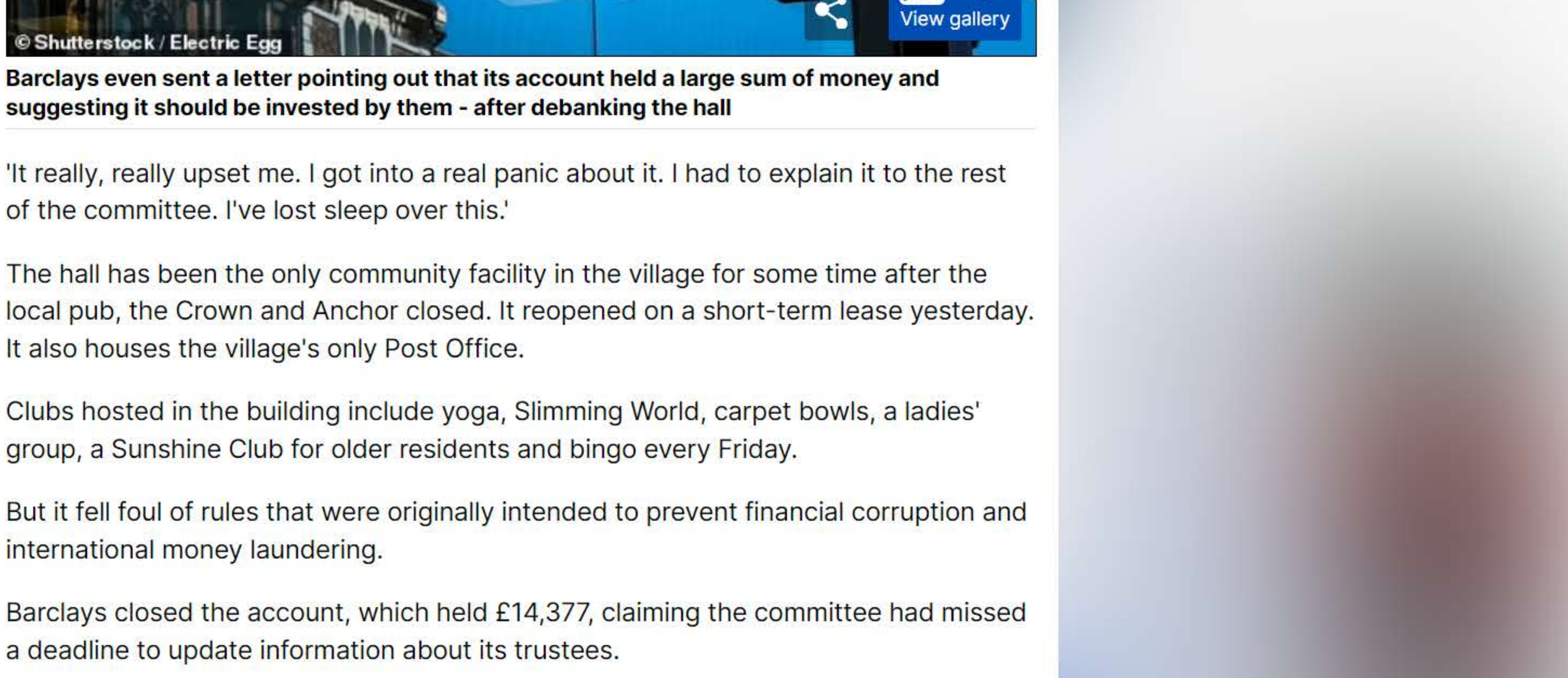
'It really, really upset me. I got into a real panic about it. I had to explain it to the rest of the committee. I've lost sleep over this.'

The hall has been the only community facility in the village for some time after the local pub, the Crown and Anchor closed. It reopened on a short-term lease yesterday. It also houses the village's only Post Office.

Clubs hosted in the building include yoga, Slimming World, carpet bowls, a ladies' group, a Sunshine Club for older residents and bingo every Friday.

But it fell foul of rules that were originally intended to prevent financial corruption and international money laundering.

Barclays closed the account, which held £14,377, claiming the committee had missed a deadline to update information about its trustees.



The matter came to prominence after Nigel Farage was debanked by Coutts



Wiggenhall St Germans Memorial Hall had a healthy balance of more than £14,000 before it was caught up in the scandal that has seen clients ditched without notice

But retired rail worker Miss Harney, 69, insisted the information was sent in September and she assumed everything was fine because she didn't hear back from them.

Describing the committee's treatment as 'abysmal' and blaming the 'depersonalisation' of banking for the fiasco, she said: 'It feels to me that because of all the banks wanting to digitise everything they are not interested in people like us.'

Committee members have had to set up direct debits with their own accounts to shore up the hall after Barclays said it couldn't issue a cheque any sooner because it had outsourced the process.

Barclays announced it would reopen the account as a 'gesture of goodwill' yesterday after being contacted by the media - although it would still be 'subject to the necessary checks'.

But Miss Harney complained they 'haven't told us' and said the hall would be taking its money elsewhere.



The hall, in a small village near King's Lynn in Norfolk, has been unable to pay for insurance, its music licence and even its cleaner

Other victims of debanking - which often takes place without the bank giving a reason and with no opportunity to appeal the decision - have included a GP surgery in Cambridgeshire.

A Barclays spokesman said: 'As part of our ongoing responsibility to help prevent financial crime and to meet our regulatory obligations, we are required to keep up-to-date information regarding our customers' accounts.

'It is very important that account holders respond to these requests for information from their bank. We fully understand the issues this can cause customers and we worked hard to avoid the last resort of account closure.'

Barclays | Nigel Farage