

## **The complaint**

Miss S complains that Barclays closed her bank account and accused her of acting fraudulently.

## **What happened**

Miss S had a number of accounts with Barclays including a current account.

On the 21 May 2019 Barclays received contact from a third party bank to advise fraudulent funds, totalling just over £11,500, had been deposited into Miss S's account. Barclays reviewed Miss S's account, returned the funds to the sender and on the 3 June 2019 sent Miss S a letter advising her account would be closed with immediate notice.

Miss S complained to Barclays about their decision to close her account. Barclays responded to say they'd carefully considered their decision and as they'd followed the terms and conditions Miss S's account wouldn't be reinstated.

Miss S wasn't happy so brought her complaint to our service. She explained Barclays hadn't given her an explanation as to why they'd closed her account, they'd accused her of breaking the law and hadn't investigated where the fraudulent funds had come from. Miss S explained that she didn't know where the funds had come from and hadn't given her account details to anyone.

Our investigator looked into Miss S's complain and concluded that Barclays didn't need to do anything more here. In summary they thought Barclays had closed Miss S's account in line with the terms and conditions of her account.

Miss S didn't accept our investigator's opinion. She said:

- The bank didn't share with her what they based their decision on
- The bank assumed it was her but she was a victim of fraud
- She needs them to say she's not a fraudster

As Miss S didn't accept our investigator's outcome it's been passed to me for a decision.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. In doing so I've reached the same conclusion as our investigator for broadly the same reasons.

Miss S responded to the view and said she wanted the bank to confirm what they based their decision on when closing her account – but I'm satisfied they don't need to do this. A bank is entitled to close an account just as a customer may close an account with a

bank. But, before a bank closes an account it must do so in a way, which complies with the terms and conditions of the account. Barclays explained they relied upon the terms and conditions of Miss S's account – specifically section 11.

The terms and conditions of Miss S's account state that there are certain circumstances in which Barclays can immediately close a customer's account. The terms and conditions state that Barclays can close an account without any notice if they reasonably believe:

- *You give us any false information at any time.*
- *You commit (or attempt) fraud against us or someone else.*
- *You use (or allow someone else to use) your account illegally or for criminal activity, including receiving proceeds of crime into your account.*
- *You inappropriately let someone else use your account.*
- *You behave in a threatening or abusive manner to our staff.*
- *You become bankrupt (unless you have a Barclays Basic Current Account).*

*Or if we reasonably believe that maintaining your account might expose us (or another Barclays company) to action or censure from any government, regulator or law enforcement agency.*

I've looked at the terms and conditions, and I'm satisfied that Barclays followed these terms when they closed Miss S's account.

I realise this will be disappointing to Miss S and I appreciate the closure of her account caused her inconvenience. But the bank can make commercial decisions about who it offers banking services to. They can't unfairly discriminate against a consumer. But they can decide they no longer want to do business with individuals. That's because they have the commercial freedom to decide who they'd like to contract with. And I'm satisfied that in Miss S's case Barclays exercised its commercial freedom legitimately when it decided to close her account.

### **My final decision**

My final decision is I don't uphold Miss S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 10 June 2020.

Jeff Burch  
**Ombudsman**