

## **The complaint**

Mr M complains that Barclays Bank UK PLC (Barclays) froze his bank account.

## **What happened**

Mr M had an account with Barclays. In November 2018, Barclays froze Mr M's account. It said it did this after it received a freezing order from a court. In September 2021, Mr M obtained a discharge of this order, and contacted Barclays. But Barclays didn't unblock the account – and so he raised a formal complaint.

Barclays looked into this, and removed the blocks from Mr M's account on 25 November 2021. It responded to the complaint in January 2022. It offered to pay Mr M £500 to reflect the trouble and upset it caused.

Mr M says Barclays's actions in blocking the account and then the delays in unblocking it caused him financial hardship. He says that because he didn't have access to the funds he had to sell shares at a loss. He also says that the business failed to comply with the time limits for complaints handling in the Financial Conduct Authority's handbook.

Our investigator looked at the complaint, and recommended Barclays pay Mr M £700. Barclays agreed. Mr M thinks he should get more. He says that in addition to the £700 he should get £1,836.77, which is what he says he lost when he sold his shares, plus interest.

As the investigator couldn't resolve matters informally, the complaint has been passed to me to decide.

## **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.

Barclays has agreed to pay Mr M £700 to settle his complaint. So I've thought about whether this is fair.

I've first considered Barclays's decision to block the account. Based on what I've seen, the block arose out of court proceedings between Mr M and a third party – in the course of which the third party obtained a freezing order, which named Mr M's accounts with Barclays. As such, I cannot conclude that Barclays acted incorrectly in freezing Mr M's account.

Mr M says he's unhappy that Barclays didn't share details of the court order with him. He says he's not aware of an exact court document that allowed Barclays to freeze his account. So he wants to see the document to understand the justification behind their decision.

I've carefully considered this. I note that in his complaint Mr M said that he managed to indirectly relate Barclays' decision to freeze the account to litigation going on behind him while he was not in the country. The court order itself says that it was delivered to a number

of Mr M's addresses and by email. And I see that the order in question was ultimately discharged on appeal – at which Mr M was represented by counsel. With all this in mind, I'm satisfied that Mr M ultimately knew about the litigation and the freezing order. Given Mr M appears to have known about the litigation, I can't say that Barclays's refusal to send Mr M a copy of the freezing order has affected his position.

Following the discharge of the order, Mr M contacted Barclays to ask it to unfreeze his account. Barclays says this didn't happen until 25 November 2021. Barclays says this was because of backlogs within its department that looks at court orders. Barclays accepts this delay was unnecessary, and I agree.

Where I decide that something went wrong, any compensation I award is intended to put the complainant, as far as possible, in the position they'd be in if things had happened as they should have done. This can include financial losses, and compensation for material distress and inconvenience. And where I decide to make an award, this isn't to punish the business but to reflect the impact the business's actions had on its customer.

As I say, I'm satisfied Barclays was entitled to block the account – so I won't award any compensation for that. But I have considered the impact the delays had on Mr M. Mr M has told us about the difficulties he had getting in touch with Barclays to discuss his account. He's sent us a timeline showing attempts to contact Barclays from September 2021 onwards. I see Mr M contacted Barclays a number of times and had to raise a formal complaint before it sorted things out. Mr M has complained that Barclays hasn't complied with the time limits for complaint handling, and I can see this will have added to Mr M's frustration given the delay.

Thinking about everything that happened, our investigator recommended Barclays pay Mr M a total of £700 to reflect the trouble and upset everything caused. Barclays has agreed to this. I've therefore thought about whether Mr M should get more.

I first note what Mr M says about the shares he sold. He says he was required to sell these shares to cover a funding requirement with his contracts-for-difference provider. He says he sold shares that had a value when he bought them of £23,725.06 for £17,405.80 – a loss on paper of £6,319.26. He says that as he had £2,819.11 in his Barclays account, he could have used the money in the account instead.

But while I've carefully considered what Mr M has said, I'm not persuaded that this is a loss I can fairly compensate Mr M for. Mr M chose to invest in contracts-for-difference, knowing he may not have access to the funds in Barclays's account. And although he sold these shares, this meant he still had the funds in his Barclays account, which he could have used to repurchase the shares once Barclays released the funds. It appears Mr M didn't in fact access the funds in the account until 6 December 2021. Finally, the value of the shares in question has fallen considerably since then, so Mr M may even be in a better position for having disinvested than would have been the case if he'd held onto the shares.

Similarly, I'm not persuaded by what Mr M has said about the interest he'd have been charged on his mortgage. I'm not persuaded that Mr M would have used the funds in the account to reduce his mortgage and pay less interest, given he's said he'd also have used the funds to avoid having to sell his shares.

In any case, Barclays says that the amount it originally offered already included £200 to reflect the month delay in discharging the court order. Altogether, I think the £700 Barclays has now agreed to pay will fairly compensate Mr M for both the service he has received and the time Mr M has been deprived of the funds. I'm not going to tell Barclays to pay Mr M more.

I've considered Mr M's other comments but these don't change my conclusions.

**My final decision**

For the reasons above, my final decision is that Barclays Bank UK Plc should pay Mr M £700 for the poor service and delays in its return to the funds. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 November 2022.

Rebecca Hardman  
**Ombudsman**