

The complaint

Ms T complains that Barclays Bank UK PLC (Barclays) restricted access to funds in her account and then closed the account. She would like more compensation than the £250 Barclays has offered.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- I don't doubt Ms T's frustration and concern when she couldn't access a payment that had been made into her account. Barclays has explained that as the payment was for a large sum of money and out of character for the account it placed a safeguard on the account due to fraud concerns. Once Ms T provided adequate proof of the funds the restriction was lifted. Fraud protection measures are there to protect both the consumer and the bank. As Barclays had concerns about the payment I don't think its actions were unreasonable.
- In terms of the closure of Ms T's account, although Barclays decided to close the account in its final response letter of 7 October 2022 it said it would reverse this decision but didn't. Barclays then reviewed the decision to close the account and decided this was the correct course of action but felt that it should have given Ms T appropriate notice of this closure. Under its terms and conditions Barclays is entitled to close accounts so I don't think its actions were inappropriate.
- Barclays has offered Ms T £100 compensation for the abrupt closure of her account, £100 for providing incorrect information about her account closure and £50 for the delay in accessing her funds as the restriction on the account was lifted the day her account was closed. I think it's reasonable that Barclays does compensate Ms T I have to decide if the total of £250 Barclays has offered is reasonable.
- I don't think the closure without notice was unreasonable given Barclays had concerns about the account but I do think it would have caused some distress and inconvenience to Ms T to be told this decision was going to be reversed but wasn't. I can appreciate it must have been further frustrating for Ms T that once Barclays concluded the payment into her account was genuine that access was lifted the day the account closed leading to a delay in Ms T getting the funds. Whilst I have considered the points Ms T has made including her personal situation at the time taking all of this into account I think the total payment of £250 Barclays has offered is reasonable.

My final decision

My final decision is that I uphold this complaint.

In full and final settlement Barclays Bank UK PLC should, if it has not done so already, pay Ms T :-

- £100 for the abrupt closure of her account
- £100 for providing incorrect information in relation to the account closure
- £50 for the delay in Ms T accessing her funds.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 19 May 2023.

Bridget Makins
Ombudsman