

The complaint

Mrs K complains that Barclays Bank UK PLC, trading as Barclaycard (Barclays), closed her account immediately without providing an explanation causing her trouble and upset.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs K had a Barclaycard account, which she'd opened in 2012. Mrs K's husband, Mr K was an additional card holder on the account.

In February 2024, following an internal review, Barclays decided to close Mrs K's credit card with immediate notice.

Mrs K complained to Barclays and said the closure of the account meant she would struggle to pay her priority bills, which included paying to care for her daughter. She pointed out that she had always maintained her account well, paying what she owed each month, so she said she couldn't think of any legitimate reason why Barclays closed her account.

In response, Barclays said it hadn't done anything wrong and following a review Mrs K's account said that Mrs K no longer met its assessment criteria. Barclays added that it was unable to discuss the criteria in detail with Mrs K.

Unhappy with this response, Mrs K brought her complaint to our service. She said Barclays had treated her very unfairly and she wants the bank to reopen her account.

One of our investigators looked into Mrs K's complaint. After looking at all the evidence the investigator said that Barclays hadn't done anything wrong when it had reviewed and closed Mrs K's account without notice. She said that Barclays didn't have to provide Mrs K with an explanation about why it no longer wanted her as a customer. So, she said Barclays hadn't treated Mrs K unfairly.

Mrs K disagreed. She maintained she hasn't been treated fairly. She wants to be given a proper explanation for why Barclays closed her account.

As no agreement could be reached the matter has come 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.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking

this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all of Mrs K's submissions.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Barclays has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mrs K, but I'd like to reassure her that I have considered everything.

As the investigator has already explained, Barclays has important legal and regulatory responsibilities to meet when providing accounts to customers. Those obligations are ongoing and don't only apply when an account is opened. They can broadly be summarised as a responsibility to protect people from financial harm and to detect and prevent financial crime. That sometimes means banks need to review, or in some cases go as far as closing customers' accounts.

Barclays are entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions. In this instance the terms of Mrs K's account say that in certain instances Barclays can close the account with immediate notice and by providing two months' notice to a customer. And it doesn't have to provide a reason for doing so.

Barclays wrote to Mrs K in February 2024, to let her know it had decided to close her account immediately. For Barclays to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence I'm satisfied that Barclays did. And that it was entitled to close the account as it's already done.

I've then gone on to consider whether Barclays's reason for closing the account was fair. In doing so, I appreciate that Barclays are entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Barclays should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

After considering all the available evidence and information, I haven't seen evidence to show Barclays's closed Mrs K's account for an improper reason. There's nothing that I've seen, that suggests it amounted to anything other than a legitimate exercise of its discretion. The reason Barclays gave for closing the account was that Mrs K no longer met its assessment criteria. That in turn means it can choose who it has a customer relationship with. This is a decision that I can't interfere with as it is a commercial business decision.

That's because it's generally for financial institutions to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Each financial institution has its own criteria and risk assessment for deciding whether to continue to provide an account to a customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

I understand of course that Mrs K wants Barclays to explain the reason it closed her account. It can't be pleasant being told you are no longer wanted as a customer. But Barclays doesn't disclose to its customers what triggers a review of their accounts to its

customers. It's under no obligation to tell Mrs K the reasons behind the account review, as much as she'd like to know. It's also under no obligation to provide Mrs K with the reasons it no longer wants her as a customer. So, I can't say it's done anything wrong by not giving Mrs K this information. And it wouldn't be appropriate for me to require it do so.

In conclusion, I don't think Barclays made any mistakes or acted unfairly when it closed Mrs K's account without notice. I'm sorry to disappoint Mrs K, but I'm not going to ask Barclays to do anything to resolve her complaint.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 25 June 2024.

Sharon Kerrison
Ombudsman