

## **The complaint**

Mrs S complains that Barclays Bank UK PLC blocked and then closed her accounts with it. She says too that, when funds were returned to her, there was a shortfall.

## **What happened**

Mrs S held a number of accounts with Barclays. These included current and savings accounts in her own name, as well as two joint accounts and two children's savings accounts. For the avoidance of doubt, this decision concerns only the accounts in Mrs S's name, not the joint accounts.

On or about 11 January 2024 Barclays placed restrictions on Mrs S's accounts. The effect of this was that she could not use them and that direct debit payments could not be taken.

Mrs S contacted the bank in an attempt to have the restrictions lifted and to complain about what had happened. Barclays said that, as a premier customer, Mrs S could withdraw funds in branch with identification. However, when she tried to do so, Mrs S was told that she would need to provide pay slips as well.

Barclays said too that it did not believe it had done anything wrong in restricting Mrs S's accounts, and that it had done so in line with its legal and regulatory duties. It did however accept that it had not provided consistent and accurate information to Mrs S. It offered her £200 in recognition of that; Mrs S did not accept that offer, although I note that Barclays has paid it in any event.

The blocks on the accounts were lifted between around 16 and 26 January 2024. However, Barclays then took the decision to close them with immediate effect, so the practical effect was of little real benefit to Mrs S. Mrs S received payments of funds that had been in the accounts between 31 January and 6 February 2024.

Mrs S referred the matter to this service, and one of our investigators considered what had happened. He issued a preliminary assessment, in which he said, in summary:

- Barclays had been within its rights to block and then close the accounts in the way it had.
- It had not communicated as well as it should have done.
- The compensation of £200 had been fair in the circumstances.
- He believed that, rather than under-paying Mrs S, the bank had in fact paid her more than she was entitled to on closure of the accounts.

Mrs S did not accept the investigator's assessment and asked that an ombudsman review the case.

## **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.

Banks and other account providers have certain legal and regulatory duties. To meet those obligations, they may in some cases review accounts and are generally entitled to restrict them while they carry out a review. In some cases, they may be under a duty to do so.

Further, it is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that Barclays' decision to block and then to close Mrs S's account was a legitimate one. Barclays did not have to tell Mrs S exactly why it had decided to close her accounts. I believe too that it was legitimate in the circumstances to close the accounts with immediate effect.

I do agree however that the bank did not handle matters as well as it should have done. In particular, it did not explain how Mrs S could access funds at a branch. If she needed to provide evidence that she was seeking to withdraw income (by providing wage slips, for example), it should have told her that; alternatively, it might have been possible for Barclays to identify wages from the account statements.

That said, I think that the bank's offer of £200 was reasonable in the circumstances. It is broadly in line with what I would have awarded and with awards this service has made in similar circumstances.

I note what Mrs S has said about the total funds which she received. For its part, Barclays says that it actually overpaid her; it has asked her to return nearly £700. It is not for me to audit Mrs S's accounts to determine what, if anything, is owed on either side. I am not persuaded however that Mrs S has been underpaid in this case. I make no comment on whether she has been overpaid, however, since I have no power to require her to pay anything to Barclays.

I am however satisfied that Barclays has done enough to resolve Mrs S's complaint.

### **My final decision**

For these reasons, my final decision is that I do not uphold Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 26 August 2024.

Mike Ingram  
**Ombudsman**