

## **The complaint**

Mr L complains Barclays closed his current account with immediate effect and for no reason. He says Barclays discriminated against him, causing him distrust and to miss the opportunity to open a credit card to collect rewards on.

## **What happened**

This final decision concerns only the closure of Mr L's current account. He also held a credit card with Barclays which was closed, and he had wanted to get another type of credit card to collect points. The closure of the credit card account is subject to another complaint with our service.

Mr L opened his current account with Barclays in 2018. He says he received his income into the account but held other current accounts elsewhere, one of which he used for his direct debits.

On 18 November 2023 Barclays decided to close the current account. They wrote to Mr L on that day to notify him, but didn't tell him why they decided to do that.

Barclays explained how Mr L could access the remaining balance of £149 that was in his account when it was closed. This required him to go into a branch with some identification. Mr L complained to Barclays about the closure and they responded on 29 November 2023. They said they acted correctly but again did not explain why they closed his account. Barclays again provided guidance on how Mr L could access the funds that were in his account when it was closed.

Mr L visited a Barclays branch on 8 December 2023, but after waiting for some time, he was told he could not have his money, as Barclays had not completed a sanctions check. Mr L emailed Barclays on 14 December 2023 and asked if they could arrange to send the remaining funds to another of his accounts, if he provided his identification digitally. Barclays agreed but were unable to access the documents he sent them.

Mr L made a further complaint, both about his account closures and that he was unable to access his money. Barclays provided their final response on 14 December 2023. They reiterated their decision to close his accounts was correct, but acknowledged they had provided a poor service in their branch and apologised for the delay they had caused to Mr L getting his money. They offered to pay Mr L £50 for the poor service they provided. Mr L visited another Barclays Branch on 22 December 2023 and received his money.

As Mr L remained unhappy with Barclays' responses, he brought his complaint to us. Our investigator considered all the information provided and decided that Barclays had not acted unfairly when they decided to close Mr L's accounts. They said Barclays had taken appropriate steps to remedy the poor service they provided to Mr L when he tried to get access to his money.

Mr L disagreed with the investigator's decision and asked for an Ombudsman's view. As such this case 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've decided not to uphold Mr L's complaint.

Mr L is unhappy that Barclays closed his account, that they did not ask him for further information relating to any concerns they had about his account use before reaching their decision, and neither did they explain why they closed his account.

Barclays are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations when providing account services to customers. Those obligations can broadly be summarised as a responsibility to know their customer, monitor accounts, verify the source and purpose of funds, as well as detect and prevent other harm.

To comply with their legal and regulatory obligations, financial businesses will review their customers' accounts, which can either be periodic or event driven. Having looked at all the evidence and information in this case, I'm satisfied that Barclays' reasons for review were done in line with their obligations.

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 open or close accounts.

Providing an account to a customer is a commercial decision that a financial institution is entitled to take. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. However, a bank should still make sure it hasn't exercised its discretion for plainly unfair reasons, or that it was due to a mistake, and it should still comply with its terms and conditions.

The terms and conditions that applied to Mr L's account set out that Barclays could close his account either by giving at least two months' notice, or in some circumstances it could close the account immediately, which is what happened here. So, I have gone on to consider whether in light of their review it was fair for them to close his account the way they did.

I can understand why Mr L feels Barclays should have asked him about their concerns before closing his account. Having an account closed is a challenging and emotive thing to happen, which often causes offence on the part of a customer.

I have asked Mr L to explain how he used his account and he told me that he did not have a main account and split his banking activity across different accounts. He had income paid into his Barclays account but used another current account for direct debits as well as utilising the various benefits of different accounts. He told me he believes Barclays closed his accounts because he has a Russian name and because he receives payments from people with Chinese names. Mr L said he could not provide any further details about the payments into his account, as his accounts were now closed.

Having asked Mr L for information about his transactions, I don't consider Barclays would have reached a different decision, even if they had asked Mr L for more information. I would reasonably expect him to know what the particular payments into his account were, given

their size, as there weren't many of them and because he already referred to receiving payments from persons with Chinese names into the account when raising his complaint.

Mr L feels that Barclays discriminated against him because of his name and the names of the people that sent him money.

Firstly, I must point out that only a court of law can rule on whether a complainant has been discriminated against in terms of a breach of the Equality Act 2010. But I'm required to consider a number of factors in order to decide Mr L's complaint in accordance with what I think is fair and reasonable in all the circumstances of this complaint. Part of this has meant considering the Equality Act 2010 as relevant law.

Having done so, while I appreciate Mr L says Barclays' decision related to him having a Russian sounding name and certain payers into his account having Chinese sounding names, I have to consider if other customers in similar situations would have been treated the same way. Having looked at all the evidence, I haven't seen anything to show that Barclays would have treated another customer with similar circumstances differently to Mr L.

I'm not persuaded based on what I've seen that the decision to close the account was for the reasons Mr L has said or that the account was closed unfairly. Instead I find that Barclays decision was taken in line with their legal and regulatory responsibilities.

I acknowledge that Mr L would like to know the reasons for what happened, Barclays doesn't need to give reasons – and nor would it be appropriate for me to tell Barclays to share its reasons with Mr L, much as he would like to know. I have reviewed the evidence and agree that it supports Barclays' decision.

I agree that Barclays provided a poor service to Mr L when he tried to get access to the funds left in his account when it closed. I have decided that Barclays have done enough to put this right by acknowledging their poor service, apologising, and paying Mr L £50 compensation. I haven't seen evidence or information which would lead me to conclude a larger sum to compensate Mr L would be reasonable.

### **My final decision**

My final decision is I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 5 November 2024.

Matthew Warrington  
**Ombudsman**