

## **The complaint**

C, a limited company, complains that Barclays Bank UK PLC unfairly closed its business account.

C is represented by its director, who I'll refer to as "Mr M".

## **What happened**

Mr M opened his business account with Barclays in February this year. The following month, Mr M received notice from Barclays that it would be closing his account. Mr M complained to the bank because he received no explanation for why it made this decision.

Barclays stood by its decision and said it closed Mr M's account fairly and in line with its terms and conditions. Mr M remained unhappy and asked this service to review the bank's actions. Mr M says he hasn't done anything to breach the account terms – he wants Barclays to explain its closure reason and allow him to open another business account.

One of our investigators issued their view, concluding that Barclays had acted fairly. Mr M doesn't agree and pointed to his own conclusions on why the bank may have closed his account.

Because Mr M doesn't agree, the complaint has been passed to me for a final review.

## **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 not upholding this complaint – I'll explain why.

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 M'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. Barclays closed Mr M's account following a two month notice period.

Barclays has provided some further details of its decision-making process which, unfortunately, I can't share due to its commercial sensitivity. But I've seen nothing to suggest that the bank's decision around closing Mr M's account was unfair.

Mr M understandably would like to know the reason why Barclays decided to close his account. He recently put forward his own conclusions as to why he thinks Barclays closed his account. As I said above, Barclays doesn't need to give him a reason why, as much as he'd like it to. The same would apply to Mr M if he had decided to change to another bank.

I know this will be disappointing for Mr M, but I'm satisfied that Barclays acted fairly here.

### **My final decision**

For the reasons explained, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 3 January 2025.

Abdul Ali  
**Ombudsman**