

## **The complaint**

Mr N complains that Barclays Bank UK PLC blocked and then closed his accounts, causing him significant distress and inconvenience, as well as financial loss.

## **What happened**

Mr N held three accounts with Barclays – a current account, a savings account and a Help to Buy ISA.

On 22 April 2022 the bank placed blocks on all three accounts. It said that the activity on the accounts had prompted a review and that it needed to restrict them while it carried out that review. On 4 May 2022 Barclays told Mr N that it would be closing the accounts after 62 days – that is, on 5 July 2022. The restrictions were lifted and the accounts were closed. Funds in the accounts were returned to Mr N.

Mr N complained about what had happened. In particular, he said that the restrictions on the accounts left him without money for day-to-day expenses and unable to pay for the funeral of a family member who had very recently died in tragic circumstances. He says he explained that to branch staff, but the bank was not prepared to be flexible.

In addition, the closure of the ISA meant that Mr N lost the opportunity of earning a government bonus of up to £3,000.

The bank said it was satisfied it had acted in line with its legal and regulatory duties and that it had not treated Mr N unfairly. Mr N did not agree and referred the matter to this service.

One of our investigators considered what had happened but did not recommend that the complaint be upheld. Mr N did not agree with her 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.

I should say first of all that I have a great deal of sympathy with Mr N. He has explained in some detail his circumstances at the time his accounts were restricted, and I have no doubt that the bank's actions added to the distress he was experiencing at the time. I accept too that the closure of the ISA may have resulted in the loss of an opportunity to earn a government bonus.

However, I can only hold the bank responsible for those matters if I consider that it acted unfairly or unreasonably.

Banks have certain legal and regulatory obligations. That means that they may need to review their customers' accounts from time to time. And in some cases it may be appropriate to restrict accounts while a review is conducted. Although I cannot share the exact reasons

for the review in this case, I do believe it was appropriate for a review to be conducted and for Mr N's accounts to be restricted while that was done.

We expect account reviews to be carried out efficiently and to be completed within a reasonable time. I have reviewed what Barclays did during its review of Mr N's accounts and am satisfied that there were no undue delays; the accounts were not restricted for any longer than necessary.

It is generally for banks to decide whether to provide or to continue to provide banking services to any particular customer. It has a commercial discretion in such matters, and this service will not usually intervene in a bank's exercise of its commercial discretion. I don't believe there is any reason for me to do so here.

Banks should give reasonable notice before closing an account. What is reasonable depends on the circumstances, but two months is usually sufficient for a personal account. I think it was reasonable in this case. It gave Mr N enough time to make other arrangements, and I note that he had accounts with other providers in any event.

In conclusion, I acknowledge that Barclays' actions have had a significant impact on Mr N, but I do not believe it acted unfairly in acting as it did.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 21 August 2025.

Mike Ingram  
**Ombudsman**