

The complaint

Mr W complains that Barclays Bank UK PLC unfairly restricted his account.

What happened

In October 2023, following a transaction Mr W made, Barclays decided to restrict his account. Over the days that followed, Mr W carried out several telephone calls to the bank to have the restriction lifted. Barclays asked that he visits a branch for verification so that the restriction could be lifted.

Mr W is unhappy with the bank's actions. He says he couldn't access his funds and had to cancel a planned outing. He adds that he spent quite a length of time on the phone to Barclays and says the service from the bank's staff was poor. Mr W claims that Barclays staff were rude and laughed at him and he felt the bank's overall actions amount to a racial attack. Mr W feels Barclays just wanted him to visit a branch so it could sell him more of its products.

In its response, Barclays says that the relevant transaction was flagged by its fraud detection system for additional checks, and this is a process put in place to protect Mr W's account. Barclays explained that it had acted in line with the account terms, but also offered Mr W £100 compensation by way of an apology for the inconvenience caused. Barclays also issued a separate response explaining that it didn't agree that Mr W received a poor level of service.

Remaining unhappy, Mr W referred his complaint to this service. One of our investigators concluded that Barclays had acted fairly. Mr W doesn't agree because he wants Barclays to explain why the transaction in question was flagged for additional checks. He also wants £1,000 compensation as well as an apology by the individual he feels discriminated against him. Mr W adds that there's no record of him agreeing to the bank's account terms.

Mr W asked for a final decision, so the complaint has been passed 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.

Having done so, I'm not upholding this complaint and I'll explain why.

I should point out that it isn't within my remit to tell Barclays how it should conduct its banking services, nor can I provide the bank with direction on its fraud prevention procedures. Commercial decisions and practices are the responsibility of the bank alone, and it's the job of the regulator, the Financial Conduct Authority, to oversee such activities. My role is to consider the specific circumstances surrounding this complaint and, if I think Barclays acted unfairly, I can instruct it to do something to put things right.

On that basis and given that Barclays' terms explain that it can stop payments the bank

thinks are suspicious, I think it acted fairly when it stopped the relevant payment and restricted Mr W's account. Barclays has a duty to take steps to prevent fraud and it's up to the bank to determine how it does this. Barclays says its system automatically flagged this transaction, and it's the bank's commercial decisions that decide the parameters of its automated system – this isn't something I have the remit to reach a finding on.

I appreciate that Mr W had no concerns about the payment in question. In fact, he says he was carrying out an essential purchase. And he's unhappy that Barclays couldn't provide an explanation why this particular transaction was flagged, leading to the restriction on his account. Ultimately though, regardless of the reason, this was part of Barclays' steps to protect Mr W's account from fraud, so I can't fairly say that the bank did something wrong by doing so.

Mr W is unhappy with the service he received from the bank following the restriction being implemented. He's unhappy that he had to go into branch to verify himself before the restriction could be lifted. Barclays says it couldn't verify Mr W over the phone, and I can see from one of the calls that took place that the bank advised that the recent overall activity on the account meant verification couldn't be completed over the phone. I appreciate it would've been an inconvenience for Mr W to have to travel to a branch and I can understand his frustration, given he missed an important occasion because he couldn't access his account. He also says it took some time in branch for the restriction to be lifted.

As I mentioned earlier, a process such as this is a commercial practice Barclays has in place. So I can't interfere in the bank's decision to apply this process. From what I can see of Mr W's circumstances, I haven't found anything that makes me think the bank could've done things differently for Mr W or that it would've been unreasonable for him to visit a branch. I also haven't seen any evidence to suggest Barclays had other reasons for asking Mr W to visit a branch. So I'm satisfied Barclays acted fairly when it asked him to do so.

Mr W claims he was treated poorly by Barclays staff – he says staff were rude, laughed at him and treated him in a discriminatory manner. Although Barclays responded separately about this part of Mr W's complaint, I think it's appropriate for me to comment on the issues surrounding this complaint under once decision.

I need to clarify that this service is unable to make findings on whether something constitutes discrimination as per The Equality Act 2010. This is because this service is an informal alternative to the courts, and only a court of law can make a legal finding based on the definitions set out within the act.

However, I can consider whether the bank has acted in a fair and reasonable manner, and to do that I will take several things, including The Equality Act 2010, into consideration. I've listened to the calls Mr W had with Barclays around the time and I haven't heard anything that makes me think Barclays treated Mr W unfairly or provided a poor level of service in the way he suggests. So I don't find that Barclays did something wrong in the way it interacted with Mr W.

Mr W recently suggested that there was no record of him agreeing to the bank's terms and conditions. However, I don't agree. The account terms explain that the act of opening an account includes setting up an agreement between Barclays and the account holder. The terms of this agreement are set out in Barclays' terms and conditions booklet. So although Mr W may believe he didn't agree to the terms, by taking out an account with Barclays he also consented to the agreement between him and the bank. So I'm satisfied that the terms Barclays has relied on applies here.

In its final response, Barclays offered Mr W £100 compensation for the inconvenience he

experienced. The bank says Mr W didn't accept this offer at the time. Barclays tells us that this offer stands – so if Mr W would like to accept it, he should contact Barclays directly.

Overall, I'm satisfied Barclays acted fairly when it restricted Mr W's account following a transaction being flagged by its system. Although I understand this caused a degree of inconvenience to Mr W, I'm satisfied Barclays applied its procedures fairly.

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 Mr W to accept or reject my decision before 5 March 2025.

Abdul Ali
Ombudsman