

The complaint

Mrs and Mr K complain that Barclays Bank UK PLC unfairly blocked their accounts without providing a proper explanation. They are also unhappy about the amount of time Barclays has blocked the accounts. And say Barclays actions have caused them financial problems and they want their accounts unblocked and funds released.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs and Mr K have a joint current and savings account with Barclays.

In October 2024, Barclays reviewed the accounts. Whilst it completed its review Barclays restricted the accounts. This meant Mrs and Mr K couldn't access any money in the accounts.

Mr K complained to Barclays. He said not being able to access the money in the accounts was making things very difficult for he and his family financially. And that he had borrowed money to pay bills. Mr K said Barclays hadn't explained why it was reviewing the accounts and had given him conflicting timeframes when it would unfreeze them. In response, Barclays said it hadn't done anything wrong and had acted in line with its legal and regulatory obligations and the terms of the accounts.

Unhappy with this response Mr K brought his complaint to our service where one of our investigator's looked into what had happened. Mr K said that Barclays hadn't set out any legal basis for blocking the joint accounts for such a long period of time. And as a result, he believes Barclays had breached his and Mrs K's human rights by denying them access to their funds. He said that Barclays needed a Court order to carry on withholding the funds – and nothing along these lines had been shared with him. So, he said Barclays had breached UK legislation by continuing to withhold the money. He wants Barclays to release the funds and unblock the accounts so that he can set up other bank accounts for him and Mrs K.

The investigator reviewed everything and didn't think Barclays had treated Mr and Mrs K unfairly. So, she didn't uphold the complaint. Mr K disagreed. In summary, he said he hasn't been given any information about why Barclays blocked his accounts. And there is no legal basis for it to have blocked his accounts for as long as it has done. He also said it isn't fair that our service hasn't shared all of the information Barclays provided to us about why it had blocked the accounts.

As no agreement could be reached the matter 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 would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Barclays has treated Mr and Mrs K fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Mr K's submissions.

I want to make it clear that I understand why what happened concerned Mr and Mrs K. I've no doubt it would've come as quite a shock to them, and they would've been very worried to find out that their accounts had been blocked. But as the investigator has already explained, Barclays has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I've considered the basis for Barclays's review and having done so I find this was legitimate and in line with its legal and regulatory obligations. So, I'm satisfied Barclays acted fairly by blocking Mr and Mrs K's accounts. I understand Mr K would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's (FCA) regulatory handbook.

Accordingly, I have accepted information in confidence which I am not disclosing to Mr K. And the description of that information is that it's of a nature which justifies Barclays's review, and which has led me to decide that Barclays have not treated Mr and Mrs K unfairly when it blocked their accounts.

I understand of course why Mr and Mrs K want to know the exact reasons behind Barclays's decision, other than what they have been previously told. And I can see that Mr K has asked Barclays to explain itself on several occasions. But Barclays isn't obliged to tell Mr K why it blocked and reviewed the accounts, and I don't believe it would be appropriate for me to require it to do so as much as he'd like to know.

The terms and conditions of Mr and Mrs K's accounts also make provision for Barclays to review and suspend an account. And having looked at all the evidence, I'm satisfied that Barclays have acted in line with these when it suspended Mr and Mrs K's accounts. So, I won't be asking Barclays to release the funds in the accounts back to Mr and Mrs K.

Mr K has said that Barclays took far too long to complete its review of the accounts. And are continuing to hold onto his funds, which he needs for everyday living expenses. Mr K believes the law requires Barclays to release his funds within a certain timeframe without a court order. And he's referenced other court cases in support of this. I have carefully

considered what he's said. But I don't find what he has referred to obligates Barclays to release Mr and Mrs K's funds after a set period. Neither do I find there is a law which sets out the length of time a bank can hold onto funds.

Mr K has said that when he asked Barclays how long things would take it gave him conflicting information when he spoke to Barclays in January and February 2025. I've looked at the information Barclays provided about what it was doing as part of its review process. Having done so I'm satisfied that Barclays did provide Mr K with misleading information. But it doesn't follow that I must award Mr and Mrs K compensation in these circumstances. Instead, I have to consider all the circumstances and information surrounding Mr K's complaint to decide whether I think awarding compensation would be a fair and reasonable outcome.

After considering what Mr K has said and the content of Barclays's review, which includes the information Barclays has provided to our service in confidence, I don't find awarding Mr and Mrs K compensation would be fair or appropriate. I understand Mr K would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the FCA's regulatory handbook.

Accordingly, I have accepted information in confidence which I am not disclosing to Mr and Mrs K. And the description of that information is that it's of a nature which justifies Barclays review, and which has led me to decide that awarding Mr and Mrs K compensation would not be a fair or appropriate outcome for any of the matters they have brought as part of this complaint.

So, I'm not requiring Barclays to compensate Mr and Mrs K for any trouble and upset they may have experienced as a result of Barclays carrying out its review, and the further dissatisfaction they experienced which ultimately flowed from not having access to the funds in their accounts, including their unhappiness with Barclays's communication and the information it didn't provide them.

Finally, I note that Mr and Mrs K have said that Barclays's actions have breached their human rights by withholding their funds without justification. I make no finding on whether Mr and Mrs K's human rights have been breached. I consider this is a matter that only a court could properly determine.

In summary, I realise Mr and Mrs K will be disappointed by my decision, but I won't be telling Barclays to do anything to resolve Mr and Mrs K's complaint.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to accept or reject my decision before 14 May 2025.

Sharon Kerrison
Ombudsman