

The complaint

Mr G is unhappy Barclays Bank UK PLC (Barclays) closed his account.

What happened

Barclays says it sent Mr G a letter on 18 September 2023 explaining that his account would be closed around 15 December 2023 due to dormancy. The letter explained that to keep the account open Mr G would need to make a payment, withdrawal or contact Barclays. Because Mr G didn't do this, Barclays closed the account.

Around a year later Mr G went to use his account to order foreign currency and discovered it was closed.

Mr G complained to Barclays letting them know he didn't receive the closure notice. He asked for the account to be reopened, explaining it was an account passed down by his father and so held sentimental value to him. He says he was originally told this was possible.

Barclays didn't uphold Mr G's complaint explaining they had closed the account in line with the terms and conditions and weren't able to reopen it. The final response said he could instead apply for a new account.

Mr G remained unhappy so referred his complaint to our service. Mr G has explained that he had ordered a new card just prior to the closure notice being sent, so in his view the account wasn't dormant. He's explained he didn't get the closure notice and in failing to proactively contact consumers beyond just sending a letter, Barclays have failed to have procedures in place which comply with the Consumer Duty, in particular the need to not cause foreseeable harm.

Our investigator didn't uphold the complaint. She was satisfied ordering a new card didn't take the account out of dormancy and so Barclays could close the account in line with the terms and conditions. The evidence provided showed Barclays sent the notice to close to Mr G and she couldn't hold them responsible for issues with the postal service. Barclays was unable to reopen the account for Mr G which she deemed fair given they were following their process. Overall, she was satisfied Barclays had acted fairly.

Mr G disagreed. He feels there has been a Consumer Duty breach and unfair term and contract, namely that Barclays contract allows closure of an account without reason and that their actions in not taking sufficient steps to inform him of the upcoming closure, caused this breach. He's said Barclays could simply have sent a text message or email, alongside posting the letter, to avoid people losing their accounts. He also remained unhappy that Barclays wouldn't reopen the account after it had been closed.

Because Mr G disagreed, 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.

Barclays is entitled to decide who they do business with, just as Mr G can decide who he wants to bank with. But it should be noted, that if a financial institution chooses to close an account, they should do so in line with the terms and conditions of the account, and their reasons should be legitimate, fair and non-discriminatory.

Barclays terms and conditions specifically outline that they can close an account if it hasn't been used for a long time and if they do so, they will give two months' written notice and detail how a customer can keep it open.

Having reviewed Mr G's account statements, I can see the account had a zero balance from the end of August 2021, with no further activity taking place from then on. So, I'm satisfied it's reasonable for Barclays to conclude the account was dormant by September 2023. Barclays has been open with this being the reason for the account closure and explained to Mr G that dormant accounts pose a fraud risk.

I've considered what Mr G has said about ordering a new debit card prior to the closure. However, having reviewed Barclays' process, I'm satisfied this wouldn't take the account out of dormancy. And indeed, the notice to close letter makes it clear that to keep the account open a payment or withdrawal would need to be made.

Barclays has provided a copy of the notice to close dated 18 September 2023. This shows it was sent to Mr G's correct address. Barclays has also shown Mr G's profile was set to "not paperless" indicating post was the preference. Therefore, I'm satisfied on balance, this letter was sent and Barclays fulfilled its obligations under the terms and conditions to notify Mr G prior to the closure. I understand Mr G didn't receive this letter, but I'm afraid I can't hold Barclays responsible for any issues with the postal service.

I'm also not persuaded Barclays needed to notify Mr G of the closure outside of sending him written correspondence, as stipulated in the terms and conditions. I'd like to assure Mr G that in considering what is fair and reasonable in all the circumstances of the case, I've taken into account all relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and where appropriate what I consider to have been good industry practice at the time. So while I take his comments on board that Barclays could have sent notice in a different way, I don't find they have acted incorrectly in notifying Mr G in the way they did.

Taking the above into consideration, I'm satisfied Barclays made a legitimate and fair commercial decision to close Mr G's account in line with the terms and conditions.

Barclays has said it can't reopen Mr G's account and have provided evidence to our service to show their processes don't allow for this when an account has been closed due to dormancy. I understand Mr G wants to see this process to ensure this is a valid reason. However, this information is commercially sensitive as it pertains to Barclays' internal processes, so it wouldn't be appropriate for us to share this. But I have reviewed this and can assure Mr G the process has been followed correctly. In any event, whilst I'm very sorry to hear this account held a lot of significance for Mr G, Barclays are under no obligation to reopen the account.

My final decision

My final decision is that I don't uphold Mr G's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 January 2026.

Sarah Brimacombe
Ombudsman