

## The complaint

Mr O complains Barclays Bank UK PLC unfairly closed his account.

## What happened

The facts of the complaint are well known to both parties, so I will only provide a summary of the key points.

Mr O held an account with Barclays, and he was informed it would be changing from a Premier Barclays Account to a Barclays Bank Account. Shortly after this, Barclays closed Mr O's account with immediate effect, with no prior warning.

Mr O raised a formal complaint with Barclays regarding the closure. Mr O says he was given inconsistent information, as he was told his account would remain open, but not be a Premier account. In its final response letter dated 26 March 2025 Barclays stated that following a review on 17 January 2025 Mr O was advised his account would change from a Premier Bank Account to a Barclays Bank Account due to eligibility criteria. However, a further review took place and an immediate notice to close decision was made on 5 February 2025.

Barclays also confirmed the prior changes it had referred to would not take place and assured that the account closure was correct, and not for prejudicial reasons. Barclays acknowledged that it didn't inform Mr O of the immediate closure, and awarded him £150 for the impact of this error.

Mr O remained unhappy and referred his complaint to this service. An Investigator reviewed his concerns and in summary, made the following findings:

- Barclays is strictly regulated and must take certain actions to meet its legal duties. This can include closing customer accounts.
- Mr O didn't meet the eligibility criteria for the Premier Bank Account, so Barclays acted fairly in changing his account.
- Barclays has shared its reasons for closing the account in confidence with this service, and the reasons are fair.
- Barclays should've given Mr O the full notice period before closing his account. The compensation it has paid to Mr O sufficiently covers this error.

Mr O disagreed with this review and explained his concerns that the closure was due to his nationality and race, and he had been discriminated against. Mr O says Barclays' failure to provide clear reasons the closure supports this. The Investigator reviewed this and explained that she hadn't been any evidence that Barclays had closed his account for discriminatory reasons.

Mr O disagreed with the outcome reached and asked for an ombudsman's final decision.

## **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 appreciate Mr O was disappointed by the Investigator's opinion. I'd like to reassure Mr O that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having looked at the complaint fully, my review of the evidence has led me to the same overall conclusions as the Investigator previously set out and for much the same reasons. I will explain why.

### Account closure

As a UK financial business, Barclays is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations. It's also required to carry out ongoing monitoring of an existing business relationship. This includes establishing the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. That sometimes means Barclays needs to restrict, or in some cases go as far as closing, customers' accounts.

In Mr O's case I can see Barclays carried out a review of Mr O's account and made the decision to close it immediately. I must highlight Barclays is entitled to close an account just as a customer may close an account with it. It is not in my remit to say what policies or risk appetite Barclays should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly. As long as they reach their decisions fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene. They shouldn't decline to continue to provide banking services without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Before Barclays closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the accounts, which Barclays and Mr O had to comply with, say that it can close the accounts by giving him two months' notice. And in certain circumstances it can close an account immediately or with less notice. Barclays closed Mr O's account with immediate effect. Upon review, Barclays accepts that this wasn't the correct approach for it to take, and it should've given Mr O full notice, as set out in the account terms. Based on the reasons Barclays has shared with me for the reasons for closing account, I agree that full notice would've been appropriate in Mr O's case.

I know Mr O would like an explanation as to why Barclays took these actions. But it isn't under any obligation to provide this. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from regulated businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Barclays has provided is information we consider should be kept confidential. But I can assure Mr O that having reviewed it, Barclays' decision to close Mr O's account was fair and reasonable in the circumstances.

Barclays has paid Mr O £150 for its failure to inform him of the immediate closure, and says this amount also reflects its decision to close the account immediately rather than giving him the necessary notice period. I understand Mr O doesn't consider this a fair way to resolve his complaint. Reaching an award for distress and inconvenience is seldom straightforward. The issues involved are subjective by their very nature and the impact on the consumer can be difficult to determine. Our awards are not intended to be punitive for businesses, and their fundamental aim is to recognise the impact on a consumer where there have been shortcomings. Having considered the timeline of events, I think the compensation offer of £150 to be fair. I say this because Barclays' overall decision to close the account was reasonable and I consider the £150 to be a fair reflection of the detriment caused to Mr O.

### Discrimination

Mr O says Barclays has closed his account and treated him poorly as he is Nigerian. Mr O believes Barclays is negatively disposed to anything Nigerian. I've carefully thought about Mr O's comments in light of the circumstances of the case. While I can appreciate Mr O's perspective, it is not my role to decide whether discrimination has taken place – only the courts have the power to decide this. I have, however, considered the relevant law in relation to what Mr O has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010 (The Act). And after looking at all the evidence, I've not seen anything to suggest that Barclays treated Mr O, unfairly.

While I appreciate how Barclays' decision to close the account immediately with no rationale, may have made him feel I have to consider if other customers in similar situations would have been treated the same way. Having looked at all the evidence, I haven't seen anything to show that Barclays would have treated another customer with similar circumstances any differently than Mr O. I appreciate the lack of detail from Mr O has understandably added to his feelings that this decision was based on prejudice. But I can assure Mr O that based on the information I've seen Barclays has based its decision on legal and regulatory factors. So, I can't say Barclays treated Mr O unfairly because of his background.

I know this will not be the outcome Mr O was hoping for, and he will be disappointed with the decision I've reached. But I hope my decision provides some clarity around why I won't be asking Barclays to further compensate Mr O.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 6 January 2026.

Chandni Green  
**Ombudsman**