

The complaint

Mr P complains that Barclays Bank UK PLC blocked and then closed his accounts.

What happened

Mr P had a current account and two savings accounts with Barclays. On 8 April 2025, Barclays removed the balances Mr P held in these accounts while it carried out a review. It says it completed the review on 22 April – and decided to close Mr P’s accounts. Dissatisfied, Mr P complained to Barclays and referred the complaint to us.

Barclays accepts it could have handled things better. It has offered to pay Mr P £100. Our investigator looked at this and thought this was a fair resolution to Mr P’s complaint. Mr P disagrees – he doesn’t think this reflects the impact of what happened. As we couldn’t resolve matters informally the complaint has been referred 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, like all financial businesses, is subject to legal and regulatory requirements that mean they may need to carry out a review of an account at any time. And until it has completed this review, these same regulations may mean it needs to restrict or block access to an account.

Barclays has submitted information in confidence about why it blocked and closed the account. Our rules allow me to accept information in confidence; I’m satisfied this information is sensitive and cannot be shared with Mr P.

Based on what I’ve seen, I’m satisfied that Barclays was acting in line with its legal and regulatory obligations when it blocked Mr P’s accounts. And while I appreciate Mr P would like to know more, where Barclays reviews accounts in these circumstances it doesn’t need to give reasons, and nor would it be appropriate for me to tell Barclays to share its reasons with Mr P.

Barclays has, however, offered £100 to reflect poor service. In particular, it thinks it should have contacted Mr P as part of its review. I therefore need to decide if this offer is fair.

Where I award compensation, this isn’t intended to punish the business but to reflect the impact of Barclays’s actions. Barclays accepts it could have asked Mr P for more information before it decided to close Mr P’s account. It told us it should have asked Mr P for up to date information about his employment and income, and for documentary evidence relation to some of the payments to and from the account. With this in mind, we’ve contacted Mr P to ask if he can provide this information. In response, Mr P says the payments related to money he lent or paid friends or his partner – but he doesn’t have any documents or messages relating to these payments. He has also refused to provide statements for his external savings account. With this in mind, I’m not going to award more compensation than the £100

Barclays has already offered. In particular, I'm not satisfied that even if Barclays had asked Mr P for further evidence this would have materially changed its stance. For these reasons, I can't conclude that the decision to close Mr P's account was unfair.

Mr P says that withholding his funds caused him financial difficulties. I have every sympathy for Mr P and don't doubt he had a very difficult time. But as I'm satisfied Barclays was acting in accordance with its regulatory obligations and the applicable terms and conditions in blocking and then closing his account, this isn't something I'm going to compensate Mr P for. And while I accept that Barclays took some time to complete its review, given what I've said above I can't conclude it should have completed the review any sooner than it did.

In all the circumstances, I think the £100 Barclays has offered is fair.

Putting things right

Barclays Bank UK Plc should pay Mr P £100 to reflect the poor service it has identified.,

My final decision

For the reasons above, Barclays Bank UK Plc's offer of £100 is fair. Barclays Bank UK Plc should now pay this to Mr P if it hasn't already. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 4 March 2026.

Rebecca Hardman
Ombudsman