

## **The complaint**

Mr G, complaining on behalf of C, a limited company, complains that Barclays Bank UK PLC wrongly closed C's bank account.

## **What happened**

As part of a regular 'Know Your Customer' (KYC) review, Barclays wrote to C on 3 March 2024 letting it know its account had been restricted. It requested further information about the use of the account by 18 March 2024. As it didn't receive a response, Barclays wrote to C again on 19 March 2024 giving a further 15 days to respond to its request before taking action.

On 2 April 2024 Mr G spoke with Barclays to confirm he was in the process of obtaining information and would provide this by 9 April 2024. On 3 April 2024, Barclays again wrote to C to confirm he had 90 days – until 1 July 2024 - to provide all the information requested or the account would be closed.

On 9 April 2024, as the information hadn't been completed Barclays called Mr G who says he hadn't been able to obtain all the information yet. He arranged for Barclays to call back on 12 April 2024. Barclays called Mr G on 12 and 15 April 2024 and were unable to speak to Mr G.

On 16 April 2024, as part of a separate dormancy review, Barclays sent a letter to Mr G informing him that the account would be closing on 15 July 2024 if Barclays didn't hear from him by 5 July 2024.

Mr G contacted Barclays on 2 July 2024, the day after the deadline for the account to be closed under the KYC review, and found the account had been closed. He says this is unfair as C was given conflicting information.

Our investigator looked into things and didn't feel Barclays had acted unfairly. They felt Mr G had been given a reasonable amount of time to provide the information requested and overall Barclays had been clear about when this information had to be provided by. Mr G didn't accept their view. He said he'd received conflicting and confusing information about when the account would be closed.

## **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.

It's not in dispute C was given conflicting information about when the account would close. On 3 April 2024 Barclays wrote to Mr G advising C's account would be closed on 1 July 2024 if C didn't provide the information Barclays had requested on numerous occasions. It then wrote to Mr G again on 16 April 2024 telling him C's account would close on or shortly

after 15 July 2024 if C didn't make any payment to the account or get in touch by 5 July 2024.

It's clear Mr G was aware Barclays was undertaking a review of C's account. It requested information from C on numerous occasions. It extended the deadline for C's response on more than one occasion. And I can also see that at times Mr G didn't respond to the contact Barclays attempted to make with him about the information it needed.

Barclays was entitled to contact C to request information about how it uses its account as part of its KYC review. And I can see Barclays was fair and reasonable in the amount of time it gave C to provide this information and made reasonable attempts to contact Mr G to ensure the information was received on time. Mr G was aware he had not provided everything Barclays had been requesting from him from when he contacted it on 2 July 2024 and discovered the account had been closed.

I think the letter Barclays sent Mr G on 3 April 2024 is clear. It states the account will be closed 90 days from 2 April 2024 – 1 July 2024 - unless Mr G updates his details.

I understand that after this, C received another letter, which said that as the account hadn't been used in some time it may be closed if Mr G didn't get in touch by 5 July 2024. I can also understand why Mr G didn't necessarily recognise this related to a different matter, although it does clearly state at the top, in large font, "*Your Business Account hasn't been used for some time*".

But Mr G was aware that Barclays was waiting for information from him. He was aware he'd agreed he would send this back in April 2024, and I can't see any reason he wouldn't be aware Barclays had tried to contact him on several occasions to chase this information. He then received two separate letters, with different closure dates, asking him to do different things in order to prevent the closure of the account. I think it would've been reasonable for Mr G to have contacted Barclays to establish exactly what the situation was if he'd been unsure.

I've noted that despite both letters giving him around three months to make contact, Mr G had waited until the day after the earlier deadline to get in touch. And while that was of course his choice, I think he reasonably should've recognised there was a risk in waiting to contact Barclays on the day it had initially told him C's account would close. It's also not clear if, when he contacted Barclays on 2 July 2024, he had the information Barclays had requested from C several months earlier. So it's not clear if he would've prevented the closure of the account if this hadn't already happened anyway.

I would also note that C's account hadn't been used for more than two years at the point it was closed. And whilst Mr G may have been calling to confirm he would like the account to remain open, he's also confirmed due to the circumstances of his company, it's unlikely C was going to start using the account regularly.

Barclays is a commercial business that's entitled to decide who it wants as a customer based on its own internal criteria. It had concerns about the lack of use of the account as it wrote to Mr G about this. And Mr G wasn't sure he was going to change his use of the account. So even if he had contacted Barclays before the account closed and provided the information it had been waiting for, Barclays still would've then needed to consider the fact the account wasn't being used regularly in line with its criteria.

Whilst I do acknowledge Barclays' letters gave conflicting information, overall, I think Mr G reasonably should've recognised this conflict and sought to clarify the situation.

Mr G has said he would like Barclays to reopen C's account but I don't think it needs to do that here as I don't think it's solely responsible for the closure. C is free to make a new application to open an account with Barclays should it wish to.

I understand Barclays has issued a cheque made out to C for the remaining funds in the account which Mr G has been unable to cash as he doesn't currently have an alternative account set up for C. I don't think it's unreasonable that the cheque for the account balance was made out to the account holder, which in this case is the limited company. Barclays has confirmed Mr G can contact it if he needs to discuss alternative arrangements.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 20 November 2025.

Faye Brownhill  
**Ombudsman**