

## **The complaint**

Mr K complains that Barclays Bank UK PLC ('Barclays') closed his account.

## **What happened**

Mr K had a current account with Barclays. In July 2024, Barclays blocked and subsequently closed Mr K's account, without providing any notice. Mr K withdrew the remaining balance from his account in a branch at the end of July 2024 and complained to Barclays because he was unhappy with its decision to close his account.

Barclays issued its final response to Mr K's complaint. Whilst its decision to close Mr K's account remained unchanged, it offered Mr K £150 compensation because it considered Mr K should've been given 62 days' notice prior to his account being closed. Barclays also confirmed it wouldn't be providing a reason behind the account closure to Mr K.

Mr K remained unhappy, so he referred his complaint to our service. One of our Investigators looked into things and didn't uphold the complaint. In summary, they said:

- There wasn't a legal requirement for Barclays to tell a customer why it decided to close an account
- Barclays was required to explain its actions to our service, which it had done in confidence
- The closure of Mr K's account was fair, but Barclays should have given Mr K notice before closing the account
- The Barclays account wasn't Mr K's only account and didn't appear to be the main account he used. So, whilst the abrupt closure of the account would've been upsetting, it didn't directly impact Mr K's day-to-day finances and Mr K's remaining funds were returned to him promptly
- The £150 compensation offered was fair in the circumstances

Mr K didn't agree. He said he wanted to know why Barclays closed his account and its decision to do so without providing any notice was unfair. Mr K went on to say he didn't feel the £150 compensation offered by Barclays was enough, because he was planning on going on holiday when his account was closed - so he had to cancel his plans.

The Investigator considered Mr K's additional points and said the outcome remained unchanged. In short they said:

- Mr K told us when he referred his complaint that he was already abroad at the time his account was closed

- The account activity didn't show evidence of day-to-day expenditure or payments for essential bills
- Mr K had an account elsewhere and the Barclays account wasn't the only account he had

As there was no agreement, this complaint was passed to me to decide. I then sent both parties my provisional decision in which I said I was planning on not upholding the complaint.

For ease of reference, here is what I said:

*Provisional decision*

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so, I am planning on not upholding this complaint. I'll explain why.*

*A bank can close an account just as a customer may close an account with a bank. But before a bank closes an account, it must do so in a way, that's in line with the terms and conditions of the account.*

*I've asked Mr K for additional information regarding the way his account was used. Mr K said he received payments from friends and family because his family abroad send him money due to a property he rents out and land he owns. Mr K says the method of payment used in the country abroad is mainly cash so that's why he was in receipt of third-party credits into his account. And he also explained the payments related to cash which he would receive from friends to pass on to their family members when he went abroad.*

*I've carefully considered what Mr K has said, and I don't find Mr K's version of events plausible or persuasive. Nor have I been provided with enough evidence to support Mr K's reasons for why he was sent the funds from various third parties.*

*Mr K says his holiday plans were affected by the abrupt closure of his account. But when Mr K referred his complaint to us, he said he was abroad on holiday when his account was closed. And I note the Barclays account doesn't appear to be Mr K's main account which he used for everyday expenditure.*

*I acknowledge Mr K would like to know why Barclays closed his account. Barclays has provided evidence to us in confidence to explain why it decided to close Mr K's account. Our rules allow us to receive evidence in confidence. We may treat evidence from banks 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 I think should be kept confidential.*

*Having looked at the information given to me by Barclays, I'm satisfied it could close the account in the way that it did. So, given the evidence I have weighed, I don't expect Barclays to reinstate Mr K's account or pay any compensation to him, as I don't find it did anything wrong in closing the account without providing Mr K with prior notice.*

*Finally, I would add that I think Barclays ought to have carried out more Customer Due Diligence (CDD) than it did. But on balance, I'm satisfied that the closure of the account immediately was fair based on the information available to me."*

### **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 hasn't responded to my provisional decision.

Mr K disagreed with what I was planning on deciding. In summary he said:

- Barclays' actions resulted in Mr K having to cancel his holiday plans. And the compensation of £150 that Barclays offered was insufficient and disproportionate to the financial and emotional distress Mr K experienced
- Closing Mr K's account without notice was unfair and didn't support principles of fairness and transparency that a bank should abide by
- Mr K requests that Barclays provide a clear explanation regarding why it closed his account

I'm not persuaded by Mr K's account of what happened, that his holiday plans were affected by Barclays' actions, as Mr K informed our service when he referred his complaint that he was abroad at the time his account was closed. Nor has Mr K provided any evidence to show that his holiday plans were affected because his Barclays account was closed.

I've taken into account Mr K's comments around the reason for his account being closed and wanting to know why Barclays took this decision. But the rules of our service allow us to accept evidence from banks in confidence. And having carefully considered this point, I think the information regarding why Mr K's account was closed should be kept confidential and this isn't something that Barclays is obliged to share with Mr K.

I must also highlight it is the role of the Financial Ombudsman Service to resolve individual complaints and to award redress where appropriate. We do not perform the role of the industry regulator, and it is not our role to comment on how businesses conduct their operations - that's the role of the regulator, the FCA.

Mr K hasn't submitted any additional evidence or arguments that I find plausible or persuasive regarding Mr K's account activity or the impact he says the abrupt closure of his Barclays account caused. In any event, this wouldn't make a difference to any possible compensation award given I think Barclays acted fairly when closing the account with immediate effect.

As I consider Barclays acted reasonably in the circumstances of the complaint, it follows that I won't be directing Barclays to do anything to put things right.

### **My final decision**

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 29 October 2025.

Khadijah Nakhuda  
**Ombudsman**