

The complaint

Mr V complains that Barclays Bank UK PLC unfairly closed his bank accounts without providing a proper explanation.

What happened

Mr V had a current account and savings account with Barclays.

In May 2025, Barclays reviewed Mr V's accounts. Following this on 27 May 2025 Barclays decided to close Mr V's accounts immediately and sent Mr V a letter to let him know he'd need to make alternative banking arrangements. At the time Mr V's current account balance was just over £10.

Mr V contacted Barclays and asked for an explanation about why Barclays no longer wanted him as a customer. Mr V also went to a branch on more than one occasion seeking an explanation and access to his closing balance. But Barclays wouldn't give him much information and Mr V wasn't able to get the money in his account. Mr V also said that the staff at the branch were dismissive and unhelpful.

Mr V raised a complaint. He told Barclays that he wanted an explanation about why the bank no longer wanted him as a customer. He pointed out that he'd been a loyal customer and always used his account properly. So, he couldn't understand what had led the bank to close his accounts.

In response, Barclays said it had closed the accounts in line with the terms and conditions. So, it hadn't done anything wrong. It also said it wasn't obliged to provide Mr V with the reasons behind its decision to close his accounts.

Mr V remained unhappy and brought his complaint to our service.

One of our investigators reviewed the complaint and asked Barclays for more information about why it had closed Mr V's accounts. Barclays shared some more information with our service in confidence about why it had closed Mr V's accounts. After reviewing everything the investigator didn't think Barclays had treated Mr V fairly when it had closed his accounts without notice. So, they said Barclays should pay Mr V £150 for the trouble and upset this had caused him.

Barclays agreed. Mr V didn't. In summary he said:

- He didn't agree that the closure of his account without warning was fair, nor that the reason provided cannot be shared with him.
- He was asked if he recognised a payment and thinks this has to do with the account closure.
- He was sent three emails in May and June 2025 by Barclays in which it explains to contact them if there are any unrecognised transactions and he believes this has to do with the account closure.

- He felt Barclays lied about the number of times he visited the branch. He attended one particular branch twice.
- He was dissuaded by Barclays from making a complaint about the closure of the accounts.
- He would like £150,000 to resolve his complaint.

The investigator reviewed everything again. They didn't change their initial view but added:

- Barclays are not legally obliged to share their closure reasons in the circumstances.
- Barclays' decision to close Mr V's accounts didn't relate to any payments he did or didn't receive.
- The wording about contacting Barclays about any unrecognised transactions mentioned within the emails sent to Mr V in May and June 2025 is a general statement Barclays make when sending their consumers bank statements. This isn't specific to Mr V and doesn't relate to the account closure reason.

Mr V disagreed. He wants to know why Barclays closed his account and finds the lack of transparency about the reasons behind its decision very suspicious. He added that his complaint has also never been about compensation and he simply wants his account balance returned to him.

As no agreement could be reached the matter has come 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Barclays has treated Mr V fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Mr V's submissions.

Barclays are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations they must meet when providing account services to customers. They can broadly be summarized as a responsibility to know its customer, monitor accounts, verify the source and purpose of funds, as well as detect and prevent other financial harm. Barclays will review accounts to comply with these responsibilities.

As the investigator has already explained, it's generally for financial institutions to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Each financial institution has its own criteria and risk assessment for

deciding whether to open or close accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. Unless there's a very good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

The terms and conditions that applied to Mr V's accounts set out that Barclays could close his accounts by giving Mr V at least two months' notice. In some circumstances it could close the accounts immediately, which is what happened here.

We've asked Barclays about this, and Barclays has shared information with us in confidence. I've looked at the information Barclays has given us about what caused them to close Mr V's accounts without notice and having done so, I would expect to see stronger evidence than it has provided. So, I'm not satisfied that Barclays has treated Mr V fairly when it closed his accounts immediately.

I've considered what would most likely have happened if Barclays had given Mr V more notice about closing his accounts. Having looked at all the evidence, I'm satisfied that Barclays would still have closed the accounts – even if it should have given Mr V more notice. So, I won't be asking Barclays to reopen the accounts.

I understand of course why Mr V wants to know the exact reasons behind Barclays decision to close his accounts. It can't be pleasant being told you are no longer wanted as a customer. But Barclays doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr V the reasons behind the account closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr V this information. And it wouldn't be appropriate for me to require it to do so now.

I've taken onboard Mr V's comments about the lack of transparency. But I'm satisfied Barclays fairly reviewed Mr V's accounts and identified a risk. But, as the investigator said, Barclays asked for the details of the review to be kept confidential. The service was set up under a set of rules, DISP, and DISP 3.8.1R, says: In dealing with information received in relation to the consideration of a complaint, the Financial Ombudsman Service will have regard to the parties' rights of privacy.

I've considered what Barclays sent this service, and I've carefully considered what Mr V's said about fairness and not being able to defend himself. But, having considered all this, I still think it's fair not to release the specific reasons for Barclays deciding to close Mr V's accounts.

I acknowledge Mr V's pursuit to get absolute clarity, about why Barclays ultimately decided to close his accounts, and that the comments made by staff during his branch visits are unhelpful, but Barclays do not have to be explicit in their reason, so, I find no error was made here.

The investigator has recommended that Barclays pay Mr V £150 for the trouble and upset he was caused by Barclays closing his account without notice. I've considered what Mr V has said about how Barclays' actions impacted him. I've no doubt this was a shock to him. And I can see he spent time contacting Barclays trying to find out what had happened – which included visiting a branch. So, I can appreciate this would've been inconvenient for him. And it's only right that Barclays recognises this. I note Mr V's comments about compensation. However, I'm satisfied that £150 compensation recognises the impact Barclays' actions had in the overall circumstances of this complaint.

In reaching this conclusion, I've noted that Mr V appears to have had access to at least one other bank account, so I think the impact of the immediate closure would have been reduced. I've also kept in mind that Mr V would always have had to spend time sorting things out even if things happened as they should have – in particular, that Barclays would still have closed Mr V's accounts. I've considered Mr V's further comments about why he thinks he should get more compensation. But these don't change my conclusions.

In summary, I recognise how strongly Mr V feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Mr V will be disappointed by my decision. But overall, based on the evidence I've seen, I won't be asking Barclays to do anything more to resolve Mr V's complaint.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint. To put things right Barclays Bank UK PLC should do the following:

- Pay Mr V £150 compensation for the trouble and upset caused by closing his accounts without notice.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 7 May 2026.

Sharon Kerrison
Ombudsman