

The complaint

Miss T complains Barclays Bank UK PLC closed her account without notice. She says this caused her unnecessary trouble and upset.

What happened

Miss T had a current account with Barclays.

In November 2025, Barclays decided to review Miss T's account to comply with its legal and regulatory obligations. Following this Barclays decided to close Miss T's account immediately.

Miss T discovered her account had been closed when she tried to make a payment from her account and it was declined. Miss T contacted Barclays to find out what was happening. But Barclays wouldn't give Miss T much information and told her that it would send Miss T a letter in due course. Unhappy with this Miss T visited a branch to try and gain access to her account balance and an explanation. Barclays allowed Miss T to withdraw her balance.

Miss T complained to Barclays. She said Barclays treated her unfairly by closing her account without notice. She said at the time her wages were due in the day after Barclays closed her account, her direct debits went unpaid and because of the lack of notice she didn't have any time to rearrange her finances which impacted her credit file. Miss T also added that when she visited a branch staff were unhelpful which added to the stress of the situation.

In response, Barclays said it shouldn't have closed Miss T's account immediately and should have given her at least two months' notice. Barclays apologised and offered Miss T £200 compensation for the trouble and upset closing the account without notice had caused her.

Miss T said the offer of £200 compensation is humiliating and doesn't make up for the amount of stress and worry Barclays caused by closing her account without notice. She wants more compensation. So, she brought her complaint to our service.

One of our investigators reviewed the complaint and didn't think Barclays had done anything wrong in closing Miss T's account immediately and didn't recommend the bank needed to do anything more to resolve things. The investigator said if Miss T wanted to accept Barclays offer she should contact them.

Barclays agreed. Miss T didn't. In summary she said:

- Barclays themselves admitted it was at fault for not providing notice before closing her account.
- The impact of this was significant. Barclays account was her main bank account, where her wages were paid each month. All her household and priority bills were set up via direct debit on this account. Due to the sudden closure without notice, these direct debits were immediately cancelled, leaving her in a position where she had to

urgently rearrange essential payments.

- Barclays also left her without a bank account in her name, which meant she had no direct way of paying these priority bills herself. This created further complications, as some payments could not be made from an account or card that was not in her name. For example, she was unable to pay her mobile phone bill because the payment card had to be registered in her own name.
- The immediate closure effectively left her without access to basic banking facilities.
- This created numerous financial difficulties and caused a great deal of unnecessary stress. She was extremely worried about falling behind on priority bills and missing payments, which could negatively affect her financial standing and credit score.

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 Miss T 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 Miss T's submissions.

I want to make it clear that I understand why what happened concerned Miss T. I've no doubt it would've come as quite a shock to her, and she would've been very worried to find out that her account had been closed. But as the investigator has already explained, Barclays has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I've considered the basis for Barclays's review and having done so I find this was legitimate and in line with its legal and regulatory obligations. The terms and conditions of Miss T's accounts also make provision for Barclays to review an account. Having looked at all the evidence, I'm satisfied that Barclays have acted in line with these. So, I'm satisfied Barclays acted fairly by reviewing Miss T's account. I appreciate that Miss T wants to know more about why Barclays did what it did. But Barclays isn't obliged to tell Miss T why it reviewed her account, and I don't believe it would be appropriate for me to require it to do so as much as she'd like to know.

The result of the review was that Barclays decided they didn't want to provide financial facilities to Miss T anymore. On 27 November 2025 Barclays wrote to Miss T and told her that it had decided to close her account immediately.

It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, account facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

As long as banks and financial businesses 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 account services without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Barclays have relied on the terms and conditions when closing Miss T's account. I've reviewed the terms, and they explain that Barclays can close the account without notice.

For Barclays to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence that the bank has provided, including the information Barclays has provided to this service in confidence, I'm satisfied that Barclays did. And that it was entitled to close the account as it's already done. Therefore, I can't conclude that Barclays treated Miss T unfairly when it closed her account. So, I'm not requiring Barclays to compensate Miss T for any trouble and upset she may have experienced because Barclays reviewed her account, and the further dissatisfaction she experienced which ultimately flowed from not having access to the funds in her account, including her unhappiness with Barclays's communication and the information it didn't provide her.

In reaching this conclusion, I acknowledge in response to Miss T's complaint, Barclays said that although it would still have closed the account, it should have given Miss T more notice. But this doesn't change my conclusions. To put things right Barclays offered to pay Miss T £200 compensation. If upon reflection Miss T wants to accept this offer she should contact Barclays.

In summary, I recognise how strongly Miss T feels about what's happened. I don't doubt it has been a frustrating and worrying time. So, I realise Miss T 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 Miss T's complaint.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 19 May 2026.

Sharon Kerrison
Ombudsman