

The complaint

Mr K complains that Barclays Bank UK PLC, trading as Barclaycard (Barclays), closed his account without providing an explanation causing him substantive distress and inconvenience.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr K had several accounts with Barclays – including a Barclaycard account.

In February 2024, following an internal review of all of Mr K's accounts, Barclays closed Mr K's credit card with immediate notice.

Mr K complained to Barclays and said the closure of the account meant he would struggle to meet his priority bills. He also said that at the time he was dealing with some serious health issues and Barclays didn't take this into account, which made his already difficult personal situation much more challenging.

In response, Barclays said it hadn't done anything wrong and following a review Mr K's account said Mr K no longer met its assessment criteria. Barclays said it was unable to discuss the criteria in detail. Barclays wrote to Mr K again asking him to repay his account balance.

Unhappy with this response, Mr K brought his complaint to our service. He said Barclays actions had impacted his mental health and well-being. Overall, he said Barclays had treated him very unfairly and hadn't considered his poor health, family circumstances or age. He wants Barclays to pay him compensation for the trouble and upset he has suffered and to reopen his account. He also wants Barclays to stop chasing him for the debt he owes and to write it off.

One of our investigators looked into Mr K's complaint. After looking at all the evidence the investigator said that Barclays hadn't done anything wrong when it had reviewed and closed Mr K's account. She said that Barclays didn't have to provide Mr K with an explanation and hadn't done anything wrong when it asked Mr K to repay his credit card balance.

Mr K disagreed. He maintained he hasn't been treated fairly and instead feels like the bank has treated him like a criminal – especially because he hasn't been given a proper explanation for why Barclays closed his account. Mr K says it is wrong that the bank isn't being held to account for how it has treated him, and he feels that the bank has discriminated against him by not revealing information about why it no longer wants him as a customer. He also says that the bank should stop chasing him to repay his account balance.

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 note Mr K has related complaints under separate reference at this service. But this decision only deals with his complaint about the closure of his credit card.

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 K's submissions.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses 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 that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr K, but I'd like to reassure him that I have considered everything.

As the investigator has already explained, Barclays has important legal and regulatory responsibilities to meet when providing accounts to customers. Those obligations are ongoing and don't only apply when an account is opened. They can broadly be summarised as a responsibility to protect people from financial harm and to detect and prevent financial crime. That sometimes means banks need to restrict, or in some cases go as far as closing customers' accounts.

Barclays are entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions. In this instance the terms of Mr K's account say that in certain instances Barclays can close the account with immediate notice and by providing two months' notice to a customer. And it doesn't have to provide a reason for doing so.

Barclays wrote to Mr K in February 2024, to let him know it had decided to close his account immediately and that he needed to repay what he owed the bank. 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 I'm satisfied that Barclays did. And that it was entitled to close the account as it's already done.

I've then gone on to consider whether Barclays's reason for closing the account was fair. In doing so, I appreciate that Barclays are entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Barclays should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

After considering all the available evidence and information, including Barclays review of Mr K's accounts, I haven't seen evidence to show Barclays's closed Mr K's account for an improper reason. There's nothing that I've seen, that suggests it amounted to anything other than a legitimate exercise of its discretion. The reason Barclays gave for closing the account was that Mr K no longer met its assessment criteria. That in turn means it can choose who it has a customer relationship with. This is a decision that I can't interfere with as it is a commercial business decision that Barclays is entitled to take.

That's because 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 continue to provide an account to a customer. 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.

I understand of course that Mr K wants Barclays to explain the reason it closed his account. 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 to its customers. Based on everything I've seen, I'm satisfied that , it's also under no obligation to tell Mr K the reasons why it no longer wants him as a customer, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr K this information. And it wouldn't be appropriate for me to require it do so.

I appreciate Mr K has said he feels discriminated against because Barclays closed his account, although he hasn't gone into specifics about how the way Barclays have treated him is related to any protected characteristics. But I have taken on board what he's said when considering whether Barclays treated him fairly and reasonably. It is not my role to decide whether discrimination has taken place – only the courts have the power to decide this. I have, however, considered the relevant law in relation to what Mr K has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010 (The Act). And after looking at all the evidence, I've not seen anything to suggest that Barclays treated Mr K unfairly.

While I appreciate how Barclays closing his account made Mr K feel and his perspective on why Barclays took the actions it has, I have to consider if other customers in similar situations would have been treated the same way. Having looked at all the evidence, I haven't seen anything to show that Barclays would have treated another customer with similar circumstances any differently than Mr K. So, I can't say Barclays treated Mr K unfairly when it decided to close his account.

Finally, Mr K says Barclays has treated him unfairly by asking him to repay what he owed and bombard him with communications every second day. He's said he has no intention of repaying what he owes and due to his age doesn't care about the impact that this decision may have on his credit file. He wants Barclays to write off the debt.

I appreciate M K feels very aggrieved by Barclays actions. But Barclays was entitled to ask Mr K to repay what he owed, simply by giving notice to him. At the point Barclay's closed Mr K's account, he owed money he'd spent. When the account was closed the debt became due. Barclays wrote to Mr K saying he'd need to repay the money in April 2024.

I can appreciate receiving the letter would no doubt have caused Mr K upset and worry. But Barclays also said that if Mr K couldn't repay the money, it would try and come to an arrangement with him, to repay the money. Barclays also provided information about organisations he could contact to seek independent advice about his financial situation. I haven't seen anything to suggest that Barclays applied pressure to Mr K to repay what he owed. I'm satisfied Barclays took appropriate steps to help Mr K and did what I'd expect them to do when it asked Mr K to repay the debt. From looking at evidence, including Mr K's credit card statement I'm satisfied that Mr K still owes Barclays just over £1,200. I hope he will contact Barclays to arrange to repay what he owes.

In conclusion, I don't think Barclays made any mistakes or acted unfairly. I'm sorry to disappoint Mr K, but I'm not going to ask Barclays to do anything to resolve his 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 Mr K to accept or reject my decision before 14 June 2024.

Sharon Kerrison
Ombudsman