

The complaint

Mr K complains that Barclays Bank PLC blocked his current and savings accounts for over two months without explaining why. This caused him significant distress and inconvenience, as well as putting him into financial difficulties.

What happened

Mr K has a current and a savings account with Barclays. On or about 16 May 2023 the bank blocked both accounts. The blocks were lifted on 27 July 2023, but for more than two months Mr K had no access to his accounts. The only transactions showing on his account statements in that time are interest payments on the savings account.

When Mr K found out what had happened, he complained to Barclays and to this service. The bank said that it had acted correctly in blocking the accounts, but it would not explain to Mr K why the blocks had been applied or why they had subsequently been removed.

One of our investigators considered what had happened and in February 2024 issued an assessment of Mr K's complaint. She concluded that the bank had acted reasonably and in line with its rights and obligations. The blocks had been correctly applied and had been lifted as soon it was possible to do so.

The investigator noted as well that Mr K had said blocks had been re-applied in January 2024. This was, she said, a new issue and so she did not comment on it any further.

Mr K did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

Having done so, however, I have reached the same overall conclusion as the investigator did, and for broadly the same reasons.

Banks can carry out reviews of customers' accounts and will very often restrict the use of accounts while they do so. And in some circumstances, they may be under a legal or regulatory obligation to apply restrictions.

Having reviewed what Barclays has said (some of it in confidence) about the reasons behind its decision to block Mr K's accounts, I am satisfied that it was entitled to do so. I do not believe that it was under duty to give Mr K advance notice of its intentions, or to give reasons for its decision.

I am satisfied too that the bank lifted the blocks on Mr K's accounts as soon as it was reasonable to do so. His bank statements indicate that he was able to use the accounts after 27 July 2023.

As the investigator noted, Mr K said his accounts had been blocked again in January 2024. That, however, is a matter which arose after he had referred this complaint to us and which has not formed any part of our investigation. If Mr K is unable to resolve things with Barclays, he may be able to raise it as a new complaint, but I make no further comment on it here.

My final decision

For these reasons, my final decision is that I do not uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 17 June 2024.

Mike Ingram

Ombudsman