

## **The complaint**

Mrs E complains that Barclays Bank UK PLC closed her account without notice.

## **What happened**

Mrs E had a current account with Barclays. On 1 May 2024, Barclays restricted access to Mrs E's account while it carried out a review. Barclays then decided to close Mrs E's account. It informed Mrs E of this on 28 May 2024. It then paid Mrs E her remaining funds on 6 June 2024.

Unhappy about what happened, Mrs E complained to Barclays and referred the complaint to us.

Barclays has told us it still believes it should have closed Mrs E's account. But it thinks it took too long to complete the review and should have given Mrs E 62 days' notice before it closed the account. It also says the review took too long. It offered to pay Mrs E £200 to reflect the distress and inconvenience this caused – and says it paid this to Mrs E on 21 June 2024.

Our investigator looked at this and didn't think Barclays needed to do anything further. Mrs E didn't agree with the investigator. The complaint has been referred 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, like all financial businesses, is subject to important legal and regulatory obligations which mean it may need to carry out a review at any time. This is reflected in the terms and conditions of the account, which allow Barclays to restrict use of the account if it needs to carry out a review. Based on what I've seen, I'm satisfied that Barclays was acting in line with these legal and regulatory obligations when it restricted Mrs E's account.

Similarly, the terms and conditions allowed Barclays to close Mrs E's account provided it gave her two months' notice. In some cases it could do so immediately. Here, Barclays closed the account immediately – but following its review concluded that it ought to have given Mrs E 62 days notice of the closure.

I'd also expect Barclays to complete its review in a timely manner. Here it appears that Barclays completed its review on 3 May 2024 but didn't inform Mrs E about this until 28 May. Barclays accepts it should have done better. It has paid Mrs E £200.

I've therefore thought about whether Barclays needs to do more.

I've thought about what Mrs E has said about that. She says she thinks Barclays acted as it did because she started trading cryptocurrency – and that she proved that these transactions were legitimate. She also says that Barclays didn't refund the full balance

remaining in the account – she initially said Barclays didn't pay her 56 pence, but now says the amount she wasn't paid was 3 pence. She initially said Barclays hadn't told her about this balance, but now says that she was told Barclays couldn't pay her 3 pence as it didn't have coins in the correct denominations.

Where I award compensation for distress or inconvenience this isn't to punish the business but to reflect the impact its acts had on the consumer. So I've considered what position Mrs E would most likely have ended up in had things happened as they should have done.

I'm satisfied that the terms and conditions would have allowed Barclays to close Mrs E's account had it given adequate notice. So Mrs E was always going to experience the inconvenience of having to move her finances elsewhere. And while Mrs E has speculated as to the reasons Barclays did this, where Barclays closes an account in these circumstances it doesn't need to give reasons. Nor would it be appropriate for me to tell Barclays to share its reasons with Mrs E, much as she'd like to know. I'm not going to award compensation for that. And I'm not going to tell Barclays to reopen Mrs E's account.

But Barclays has already paid Mrs E £200 to reflect the lack of notice and the time that it took to complete the review. Based on everything Mrs E and Barclays has said, I'm satisfied this is a fair resolution to Mrs E's complaint. I acknowledge that Mrs E was denied access to her funds for the period the account was blocked. That said, the amount Barclays has already paid is significantly more than I'd have awarded in interest. The £200 is also significantly greater than the 3p Mrs E says she wasn't paid. I also accept that Mrs E would have found what happened distressing.

But thinking about everything that happened and what Mrs E has said about the impact Barclays' actions have had on her, I'm satisfied that the £200 Barclays has already paid is more than fair in the circumstances of Mrs E's complaint. I'm not going to tell Barclays to pay more.

### **My final decision**

My final decision is that Barclays Bank UK PLC has already paid fair compensation for the impact of its actions. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 6 February 2025.

Rebecca Hardman  
**Ombudsman**