

The complaint

Mr R complains Barclays Bank UK PLC (“Barclays”) restricted his account and the funds held within it without explanation. Mr R adds he spent over eleven hours trying to resolve the matter with Barclays and had to wait over two hours in branch for his funds to be released when he’d been told they were available to withdraw.

Mr R says he couldn’t pay some of his bills and has incurred missed payment fees.

What happened

This complaint does not deal with the closure of Mr R’s accounts.

Around 1 July 2022, following a review, Barclays blocked Mr R’s accounts. After the review was completed, the funds were made available to Mr R, who withdrew them in branch around 21 July 2022.

Mr R says he spent over eleven hours speaking to Barclays’ staff on the phone and hasn’t been given any explanation for its actions. He says that when he was told he could withdraw his funds, he went to branch, and they kept him waiting for over two hours before releasing them to him as no one initially knew what was going on.

In its response, and in summary, Barclays said the activity on Mr R’s account prompted a routine review. And whilst doing so, it may place safeguards on any banking facilities as detailed in the account agreement. Barclays does not have to provide a reason for taking such action.

Unhappy with what Barclays said, Mr R referred his complaint to this service. One of our Investigator’s looked into it, and they didn’t recommend the complaint be upheld. In short, they found:

- Barclays carried out the reviewed in line with its regulatory requirements. Barclays didn’t need to give Mr R notice nor a reason for its review
- Barclays’ call logs show Mr R made multiple calls between 2 July 2022 and 11 July 2022, at an average of 17 minutes per call. This must have been frustrating for Mr R, but it wasn’t excessive.
- There’s no evidence to show what happened in branch

Mr R didn’t agree with what our Investigator said. He says that the time he spent being passed from department to department hasn’t been considered – and our Investigator only considered the time he was talking. Mr R adds that he was forced to withdraw his funds, and after waiting two days before going into branch as he was told, they didn’t know what was going on. This meant he waited over two hours before getting his funds.

As Mr R didn’t agree, his complaint has now been passed 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.

Having done so, I've decided not to uphold this complaint. I know this will disappoint Mr R, so I'll explain why.

Banks in the UK, like Barclays, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means banks need to restrict customers' accounts.

At this point I would add our rules allow us to receive evidence in confidence. We may treat evidence from banks 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.

Having carefully reviewed the information Barclays have sent me, I'm satisfied it restricted the account in line with obligations placed upon it. I know Mr R would like an explanation as to why Barclays acted in this way, but I'm not aware of any obligation under which it must disclose its reasons.

I'm also satisfied Barclays hasn't caused undue delay in its review. So I don't need to consider any compensation here.

Mr R says that he spent over eleven hours speaking to staff at Barclays on the phone without getting any meaningful information or update. Barclays have sent me its call log for Mr R, and this shows he made 16 calls between 2 to 25 July 2022. The calls ranged from several seconds to half an hour. Mr R says there was also time he was on hold and being passed from department to department.

Barclays were under no obligation to explain to Mr R why his account was blocked. So it's highly likely anyone he spoke to were ever going to be helpful given they couldn't give him the answers he wanted. I've already found that Barclays acted in line with its obligations when restricting Mr R's accounts, and I do understand why he would make so many calls looking for answers. But as Barclays did nothing improper here, I don't find there's grounds to award any compensation for the calls Mr R decided to make.

Mr R also complains that once he was told the funds were available for him to retrieve, he faced obstacles in the branch leading to over two hours wait. I can understand why this inconvenienced and likely frustrated Mr R. I don't have any information for what happened in the branch, so I can't fairly find that Barclays did anything wrong. It's also likely that given the reasons for the account being restricted, Barclays' branch staff had to take extra steps to make sure they could release the funds. And this in turn meant Mr R had to wait longer than he expected.

Mr R says he was forced to withdraw his funds as the account was being closed. But as he is aware, this decision does not cover the closure of his accounts.

My final decision

For the reasons above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 1 December 2023.

Ketan Nagla
Ombudsman