

The complaint

Mrs D and Mr M complain that Barclays Bank UK Plc closed their account without notice.

What happened

Mrs D and Mr M had an account with Barclays. In September 2023 they discovered that they couldn't access the account via the app and that the card associated with the account didn't work. Mr M contacted Barclays and learned that this was because Barclays had closed the account. Dissatisfied, Mr M complained to Barclays.

Barclays looked at this. It said it had in fact decided to close the accounts earlier – and had written to Mr M explaining its decision in July 2023. And it was satisfied the decision to close the accounts was correct. Mr M then referred the complaint to our service. He's unhappy that Barclays closed the account and wouldn't give him reasons for the decision. He wants Barclays to continue offering him banking services until it's been determined that it had a legal basis to close the account.

Our investigator looked at this and thought that what Barclays had done was fair.

Mrs D and Mr M disagree. The complaint has been referred 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 don't uphold the complaint. I'll explain why.

Barclays, like all financial businesses, is strictly regulated and subject to a number of legal and regulatory obligations. To comply with these obligations it's not unusual for financial businesses to periodically review its customers' accounts. Having looked at everything, I'm satisfied Barclays was complying with its legal and regulatory obligations when it reviewed Mrs D and Mr M's account.

Barclays then decided to close Mrs D and Mr M's account. Banks are entitled to decide for themselves whether to do business or continue doing business with a customer. Every financial institution has its own criteria and policies for continuing to provide an account. Banks have commercial freedom to decide who they want as customers. But I need to be satisfied that Barclays treated Mrs D and Mr M fairly and closed the account in line with the terms and conditions of the account.

Here, the terms and conditions state that Barclays can "close an account [...] by giving you at least two months' notice." In some circumstances, Barclays can do so immediately. Here, Barclays said it gave Mrs D and Mrs M two months' notice – and wrote to them with its decision on 4 July 2023.

Mr M says he never received this letter. I've thought about this. I've seen this letter. I'm satisfied that Barclays addressed the letter to Mr M's normal address – and I'm satisfied that

Barclays most likely posted it to Mr M. And although Mr M thinks Barclays could have sent him an email or notification online, the terms and conditions that applied to Mr M's account allowed Barclays to contact him by post. While I don't doubt the sudden discovery that the accounts had been closed would have been distressing, Barclays didn't do anything wrong here.

Mr M wants to know more about why Barclays closed his account. I can certainly understand why Mr M feels this way. But where Barclays closes accounts in these circumstances it doesn't need to give reasons, and nor would it be appropriate for me to tell Barclays to share these reasons with Mr M.

Mr M has his own suspicions about the reason the account was closed – he thinks he was incorrectly classified as a politically exposed person on a third party compliance database. I note Mr M's comments, but I haven't seen anything to suggest that Barclays closed Mr M's account for an improper reason. Based on everything I've seen, I'm satisfied Barclays had a rational basis to act as it did, I'm not persuaded that it was based on any error, and I can't conclude that Barclays treated Mrs D and Mr M unfairly when it closed the account.

Mr M has also asked for details of Barclays's internal policies on account closures and details of its anti-money-laundering procedures. But Barclays is under no obligation to share these policies, as much as Mr M would like to know. I can't say Barclays has done anything wrong by not giving Mr M this information.

I add that our rules allow us to receive information in confidence. This would include where, for example, it contains security information or commercially sensitive information. I'm satisfied the information Barclays has sent us about why it closed Mr M's account is sensitive, and so while I've taken this into account when reaching this decision it wouldn't be appropriate for me to share this with Mrs D and Mr M.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr M to accept or reject my decision before 2 February 2024.

Rebecca Hardman
Ombudsman