

## **The complaint**

Mr A complains that Barclays Bank PLC (Barclays) chased him for the repayment of his debt despite a court order being in place preventing this.

## **What happened**

Mr A held a business account with Barclays and in September 2018 they withdrew his overdraft facility and passed his bank account to their recoveries department. Mr A says he obtained a court order which should have prevented Barclays pursuing the debt. Mr A says this has added to his stress and anxiety and feels Barclays have acted unfairly in chasing him for the repayment of the debt.

Barclays says they have responded to Mr A's complaint and point out that part of his complaint has already been dealt with by this service and wasn't upheld. Barclays says they were entitled to pursue Mr A for repayment of the debt as a court hearing had dismissed Mr A's claim and there was no evidence, they had chased for repayment leading up to the court hearing. Barclays have said given the court had ruled against Mr A, this service was not able to comment on the pursuance of the debt or issues relating to an earlier complaint, as this was not within our jurisdiction given the matter had been dealt with by the courts.

Mr A wasn't happy with Barclays response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. He felt that this service wasn't able to consider Mr A's complaint regarding Barclays chasing him for repayment as this had been dealt with by the court. With regard to the legitimacy of Barclays withdrawing the overdraft facility available to Mr A, the investigator felt Barclays had acted in line with the terms and conditions of the overdraft facility agreement and they had good reason to call in the debt.

Mr A was unhappy with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

## **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 have come to the same outcome as the investigator and I will explain how I have come to my decision.

I was sorry to hear of the stress this issue has caused Mr A and understand it must have been a difficult time for him. When looking at this complaint I will consider whether Barclays have acted reasonably when they withdrew the overdraft facility from Mr A. I understand Mr A has also commented on the way his complaint has been handled by the investigator, but that's not for me to comment on, however I understand this is being considered separately.

To be clear, I won't be looking at any issues relating to the direct debit problems Mr A might feel contributed to his debt, as this has already been decided upon by this service and we

can't reconsider this. As the investigator has said in his view to Mr A, we can't look at whether Barclays were able to pursue him for the outstanding debt as this was dealt with in a court order in April 2019. In any event there is no evidence to support Mr A's claim, Barclays issued any demands for repayment between the time the court hearing was applied for, and its final hearing in April 2019.

This service isn't able to consider every complaint that's referred to us. Before we investigate a complaint, we must first make sure that we have the ability to do so under the Dispute Resolution Rules ("DISP") that apply to us.

As part of Mr A's complaint is whether Barclays are able to pursue the debt, I am satisfied this point was clarified in the court order in April 2019 and under DISP Rule 3.3.4A it says:

*The Ombudsman may dismiss a complaint referred to the Financial Ombudsman Service on or after 9 July 2015 without considering its merits if the Ombudsman considers that:*

*(3) the subject matter of the complaint has been the subject of court proceedings where there has been a decision on the merits;*

This leaves me to consider if Barclays acted reasonably when they withdrew the overdraft facility from Mr A's business account. Mr A says Barclays acted unfairly here and not in accordance with good banking practice. I understand the point Mr A makes, so I have looked at whether Barclays have acted in a way we would expect to see in these circumstances. From the bank statements provided to this service they show a history of hard-core debt, unpaid items and the overdraft being in excess of the agreed limit available on the bank account. So, I can't see it was unreasonable for Barclays to have taken the action it did here.

While Mr A may not agree, in any event, overdraft facilities like this, are repayable on demand and Barclays have provided details of the overdraft facility document which states under their standard terms :

*4.2 The Facility is repayable by the Borrower on written demand by the Bank at any time . Any undrawn amounts of the Facility may be cancelled by the Bank at any time.*

From the information available to this service, I can see that Barclays wrote to Mr A on two occasions in June and July 2018 asking him to pay into his bank account as it was over the agreed limit and in this letter asked him to get in touch if he was experiencing financial problems. In August 2018 Barclays sent Mr A, a Termination Notice, asking for full repayment of the debt and stated if this didn't happen his bank account would be transferred to their recovery unit, in September 2018. It follows Barclays, as we would expect to see, gave reasonable notice of their intention to withdraw the overdraft facility and request its repayment.

While Mr A has referred to other issues with Barclays, these primarily relate to Barclays pursuance of the recovery of the debt which, as I have mentioned earlier, unfortunately isn't something we can look at. Mr A has also mentioned Barclays treatment of him during the COVID pandemic, however, the part of the complaint we have looked at predates this, so I am unable to comment on this.

While Mr A will be disappointed with my decision, I won't be asking anymore of Barclays here.

## **My final decision**

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 A to accept or reject my decision before 17 April 2021.

Barry White  
**Ombudsman**