

## **The complaint**

A limited company, which I'll refer to as 'R', is unhappy that Barclays Bank UK PLC objected to its being struck off.

R's complaint is brought to this service by its director, whom I'll refer to as 'Mr H'.

## **What happened**

R has an outstanding Bounce Back Loan ("BBL") with Barclays. In March 2023, R filed an application to strike off the company with Companies House. Barclays wrote to R shortly afterwards and said that because R still had an outstanding BBL debt with Barclays, they might object to the strike off and invited a representative of R to contact them.

Following this, Barclays wrote to R again, in May 2022, and explained that because no one from R had contacted them as requested, they'd filed an objection to R's proposed strike off with Companies House. Mr H wasn't happy about this, so he contacted Barclays and raised a complaint on R's behalf.

In June 2022, Barclays issued a formal demand to R for the outstanding BBL balance. Mr H wrote to Barclays shortly thereafter and explained that R didn't want to be pursued by Barclays for the BBL balance because it wasn't trading and because its directors were facing difficult personal circumstances.

In July 2022, Barclays issued a formal response to R's complaint in which the complaint wasn't upheld. Mr H wasn't satisfied with Barclays response, so he referred R's complaint to this service.

One of our investigators looked at this complaint. They acknowledged the difficult personal circumstances that R's directors were facing. But they didn't feel it was unreasonable for Barclays to pursue R for the BBL debt, given the lack of meaningful engagement by R's directors with Barclays about the matter. Mr H remained dissatisfied, so the complaint was escalated 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'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

I'd also like to confirm that the eligible complainant for this complaint is R, the limited company. As such, I'm unable to consider any grievances that Mr H, or other directors of R, may have in their personal capacity. I can only consider whether Barclays actions are fair in relation to R, the limited company.

Mr H has explained that R is a service company which has no income as it no longer trades, and which has no physical assets. Mr H therefore contends that R has no ability to repay the outstanding BBL debt and he wants Barclays to accept his position in this regard and to stop pursuing R for the debt and withdraw their objection to R being struck off.

Barclays haven't taken a position on whether R does have an ability to repay its BBL debt. But Barclays explain that they require the directors of R to meaningfully engage with them about the debt and the present state of R so that Barclays can complete their own assessment of whether R is able to repay some, or all, of the money that it owes to them.

Barclays position doesn't seem unreasonable to me here. And I don't feel that it's unfair for Barclays to want to conduct an assessment – to their own satisfaction – of R's ability to repay the outstanding balance that it owes to Barclays.

Ultimately, I feel that this complaint comes down to whether Barclays should fairly and reasonably be expected to accept Mr H's explanation of R's position without conducting its own assessment. Or, whether it's fair and reasonable that R's directors should meaningfully engage with Barclays and provide a clear demonstration of R's current position – to Barclay's satisfaction.

Upon consideration, I feel that the onus is on R's directors to meaningfully engage with Barclays about the position of R to Barclays satisfaction. And because of this, I don't feel that Barclays have acted unfairly by taking the steps that they have here, given the continuing absence of such meaningful engagement from R's directors.

I'm aware that Mr H feels that he and R's other director are unable to meaningfully engage with Barclays because of personal issues that they now face. But Mr H has been able to meaningfully and regularly engage with this service, albeit solely in writing, and I feel that this demonstrates that Mr H can meaningfully engage with Barclays about R's debt in a similar manner.

Barclays have confirmed that, if Mr H is unable to speak with them on the telephone because of his personal circumstances, that there are alternatives available to him. And Barclays invite Mr H to contact them by whatever channel he finds most suitable to discuss such communication alternatives with them, so long as the overall intention and objective of Mr H is to meaningfully engage with Barclays about R's BBL debt. And if there are some initial communication requirements of Barclays which Mr H or R's other director find to be personally difficult or uncomfortable, I don't feel that this fairly or reasonably does reduce their professional responsibilities as R's directors.

It may be the case that the result of R's directors engaging in meaningful engagement with Barclays will be that Barclays reach the same conclusion about R's ability to repay the BBL debt as Mr H. But this isn't guaranteed and is ultimately a decision for Barclays to make.

And, to reiterate, I am satisfied that it is fairly a decision for Barclays, and not for Mr H, to make. And it follows from this that I won't be upholding R's complaint against Barclays here as Mr H would like.

In summary, this is because, as explained, I feel that it is fair for Barclays to require R's directors to satisfy Barclays, as per Barclays processes, as to R's current position. And because of this I feel it was fair and reasonable for Barclays to have objected to the strike off action proposed by R until such time that its requirements were satisfied by R's directors.

Mr H has referred to all BBLs being covered by a government guarantee, which he contends means that Barclays should stop pursuing this debt. But the terms of the government guarantee on lenders such as Barclays includes that lenders must take all requisite and appropriate action to try to recover the debt from the borrower – in this case, R – and that the government guarantee will only apply if a lender can demonstrate that it has done this but has been unable to recover the BBL debt. And Barclays actions here appear to me to be in accordance with the requirements placed upon them by the government guarantee.

Finally, in his ongoing correspondence with this service, Mr H has asked that several further points of complaint be considered. However, some of these points of complaint appear to relate to him in his personal capacity, and not to R as a limited company. Additionally, this service can only consider points of complaint that have previously been raised with the respondent business directly, such that that business has had the opportunity to consider and respond to them. As such, I can only refer Mr H to Barclays directly to raise any further points of complaint that relate to R as a limited company with them, should he wish to do so.

All of which means that I don't feel that Barclays have acted unfairly here as Mr K contends, and it follows from this that I won't be upholding this complaint or instructing Barclays to take any further or alternative action.

### **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 R to accept or reject my decision before 29 February 2024.

Paul Cooper  
**Ombudsman**