

The complaint

Mr S complains that Barclays Bank UK PLC removed his overdraft on his current account.

What happened

Mr S says that he received a letter from Barclays dated 28 October 2023 informing him that the overdraft would be removed from his Barclays current account in 30 days' time. He says he rang Barclays who suggested he apply for a credit card, which Mr S did this, but his application was declined. The overdraft was subsequently removed from Mr S' account. Mr S made a complaint to Barclays, but they did not uphold his complaint, so he brought his complaint to our service.

Our investigator did not uphold Mr S' complaint. She said Barclays acted in line with the terms and conditions and they provided Mr S with reasonable notice before removing the overdraft. She said Mr S hadn't used this facility for 12 months or more, so she was satisfied it didn't have any direct impact to him. Mr S asked for an ombudsman to review his complaint. He said he only uses his laptop for online banking as he feels vulnerable using his smartphone. He said Barclays suggested that if he needed to transfer money from his savings account to his bank account, he could do this by calling them, but this could prove to be problematic if he was isolated, and he had no power, or if he lost his phone/it was damaged.

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.

The terms and conditions for the Barclays current account show that *"We'll give you at least 30 days' notice for changes to your overdraft"*. Here, Barclays gave Mr S more than 30 days' notice as their letter stated they would remove the overdraft on 15 December 2023.

The terms also show that *"If you have an arranged overdraft, we can end it at any time and for any reason. We'll give you at least 30 days' written notice and ask you to pay it back"*. As Mr S was not overdrawn, there was nothing to pay back.

But I'm satisfied that Barclays acted in line with the terms to remove the overdraft based on the reasons they set out in their letter dated 28 October 2023 when they said it *"looks like your limit might be higher than we'd offer if you applied for an overdraft today. Because of this and as you haven't used your overdraft in the last year"*, then they would remove the overdraft.

As lending is a commercial decision for a business to make, and as Barclays have acted in line with the terms of the account, I'm unable to ask them to reinstate the overdraft to Mr S' account.

I've considered what Mr S has said about hypothetical situations such as his phone being damaged/lost or him losing power, and this could potentially cause him problems transferring

from his savings. If Mr S is concerned about these things happening, then he may wish to consider transferring some of his savings into his current account to cover off this possibility and ensure he has a buffer in his current account, but Mr S should consider the advantages and disadvantages of doing this such as taking savings from a tax free environment, potentially getting less interest in his current account than his savings account etc.

Mr S has said the credit card application had declined. On the letter he provided us the credit card company suggests a credit card may be unaffordable for him. Mr S may be able to raise a separate complaint with the credit card company if he feels they have made an error here. But as Barclays did not make an error in removing the overdraft, and they gave him more than the required noticed that they had to in the terms, then it follows I don't require Barclays to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 May 2024.

Gregory Sloanes
Ombudsman