

## **The complaint**

Miss G is unhappy that Barclays Bank UK PLC defaulted her account and feels that she wasn't provided with appropriate support from Barclays in consideration of her difficult personal circumstances.

## **Summary of what happened**

Miss G suffers with a long-term medical condition which impacts her ability to work and to manage her financial affairs.

Miss G held a current account with Barclays on which she had an agreed overdraft facility of £500. In 2021, Miss G's current account balance went beyond her agreed overdraft limit and into unarranged overdraft. Barclays sent a series of letters to Miss G about the position of her account over the next several months. Barclays also called and spoke with Miss G to discuss her account arrears with her.

In October 2022, with Miss G's account still not having been brought back within the agreed overdraft limit, Barclays moved to default Miss G's account. Miss G wasn't happy about this and didn't feel that Barclays had provided her with the support they should have, given her medical condition. So, she raised a complaint.

Barclays responded to Miss G but didn't feel that they'd acted unreasonably by defaulting her account. Barclays noted the prolonged efforts they'd made to contact Miss G and meaningfully discuss the state of current account with her. And Barclays also felt that they'd attempted to provide support to Miss G but that she hadn't engaged with them such that she could receive the support they'd tried to provide to her. Miss G wasn't satisfied with Barclays response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel Barclays had acted unfairly in how they'd managed the situation and so didn't uphold the complaint. Miss G remained dissatisfied, so the matter 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.

Miss G has explained how the long-term medical condition she suffers with impacts her. I sympathise with Miss G in this regard. But it's important to confirm that Miss G's contractual responsibilities regarding her Barclay overdraft facility weren't reduced or diminished in any way because of her long-term medical condition.

Where a business is made aware that a customer has an ongoing situation which affects their ability to manage their financial affairs – such as Miss G's long-term medical condition which Barclays were made aware of by Miss G in this instance – this service would generally expect that business to offer appropriate support to that customer.

However, it would also be generally expected by this service that the customer in question would meaningfully engage with the business about their ongoing situation, so that the business can offer the support to that customer that the business seeks to provide.

In this instance, I feel that Barclays did clearly explain to Miss G that she needed to bring the balance of her account within her agreed overdraft limit. And I also feel that Barclays did attempt to provide appropriate support to Miss G, having learned of her long-term medical condition, but didn't then receive the meaningful engagement from Miss G that would have allowed them to offer any form of support to her.

Regarding the balance of her account, Barclays wrote to Miss G on several occasions throughout 2021 and 2022 explaining that her account was over the agreed overdraft limit and asking Miss G to call them if she required any help with her finances.

In August 2021, Miss G spoke with Barclays and explained her ongoing medical condition and present personal and financial circumstances to them. Barclays arranged for a member of their specialist support team ("SST") to call Miss G back later that month. But when the SST spoke with Miss G, she told them that her account was 'fine' and that it wasn't a good time for her to talk and that she would call them back if she needed them.

Miss G didn't call Barclays back, and in the months that followed Barclays continued to send letters to Miss G about the overdrawn status of her account. Miss G didn't improve the position of her account and Barclays continued to send letters to Miss G about her account into and throughout 2022.

In August 2022, with Miss G's account having been in an unarranged overdraft for close to a year, and with no payment or meaningful engagement having been received from Miss G, Barclays sent Miss G a letter explaining that unless she brought the balance of her account back within her agreed overdraft limit that Barclays might not allow future payments, including direct debits and standing orders, to be made from the account.

Barclays spoke with Miss G shortly not long thereafter, and Miss G explained that she was still suffering from the same long-term medical condition but that she had an upcoming assessment which might result in her being able to return to work. Miss G told Barclays that she would update them after the assessment, and Barclays explained to Miss G that if they didn't hear from her that they might begin collections and recoveries actions on her account.

Following the August 2022 phone call, Barclays didn't receive any update from Miss G, and Miss G didn't make any payment to bring the balance of her account back within the agreed overdraft limit. Because of this, in October 2022, Barclays sent Miss G a termination notice, giving her 30 days to clear the full overdrawn balance of her account. And, when Miss G didn't contact Barclays or clear her overdraft facility within those 30 days, Barclays defaulted her account and reported the default to the credit reference agencies.

Miss G has said that Barclays didn't provide appropriate support to her having been made aware of her medical condition. But I don't accept Miss G's position in this regard. This is because I'm satisfied that Barclays made prolonged efforts to speak with Miss G about the balance of her account and that they also attempted to engage with Miss G with a view to discussing how they might potentially support her regarding her medical conditions.

But a business can't provide support to a customer who doesn't engage with them. And I'm satisfied that Miss G didn't meaningfully engage with Barclays as I feel that she could and reasonably should have done. And while I appreciate that Miss G's medical condition made it difficult to engage with Barclays, I don't feel that it was impossible for her. And I feel that the fact that Miss G could have engaged with Barclays is demonstrated by the phone calls

that Miss H had with Barclays, wherein Miss G said that she would call Barclays back.

Ultimately, Miss G had close to a year to either make a payment to her account to bring the balance back within the agreed overdraft limit or to hold a meaningful conversation with Barclays about her financial position and to agree a repayment plan with them. But Miss G did neither of these things. And because of this, I don't feel that Barclays have acted unfairly by defaulting her account as they did.

I realise this won't be the outcome Miss G was wanting, but it follows from what I've explained above that I won't be upholding this complaint or instructing Barclays to take any further or alternative action here. I hope that Miss G will understand, given what I've explained, why I've made the final decision that I have.

### **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 Miss G to accept or reject my decision before 26 August 2024.

Paul Cooper  
**Ombudsman**