

The complaint

Ms C complains that Barclays Bank UK Plc didn't offer her enough support during a period of financial difficulty.

What happened

Barclays told us:

- As at the beginning of October 2024, Ms C owed Barclays just under £600,000. She had a relatively small overdraft balance, a Select Business Loan (SBL) with a balance of just under £510,000, a Bounce Back Loan (BBL) with a balance of just over £22,000, and a Property Investment Loan with a balance of just over £56,000.
- It is not willing to extend the term on Ms C's SBL, because the agreed current term is already 25 years and that is the maximum term the bank is prepared to allow.
- It cannot offer Ms C any further Pay As You Grow (PAYG) options on her BBL, because she has already used all the PAYG options available. The BBL was opened in December 2022, then there was a full repayment holiday from March 2022, followed by a capital repayment holiday from September 2022, another capital repayment holiday from March 2023, and then a further capital repayment holiday from September 2023. The term of the BBL has already been extended from the original six years to the ten years, which is the maximum allowed.
- It has not received a formal application from Ms C for an overdraft increase. It will review such an application if it receives one – but its current view is that it is at the maximum of its credit appetite. It is unlikely to be in a position to support future borrowing requests unless it considers that there has been a material improvement in Ms C's business's financial position.
- It accepts that it has made mistakes in respect of customer service, in particular by telling Ms C that it had offered her a short capital repayment holiday or term extension on her SBL when that was not true. It has apologised for the mis-information, and offered compensation of £100.

Ms C told us:

- In 2022 she asked Barclays for financial support in the form over an overdraft extension or a repayment holiday. Her relationship manager then left Barclays, and although she was promised a call back that did not happen.
- She asked the replacement relationship manager for financial support, but all she received was months of anguish and poor service. Barclays wrote to her to say it had offered a capital repayment holiday or term extension on her larger loan, but that is simply not true.

- The government has recommended that people in her position should be allowed to pay interest only for a while, but Barclays has refused that support.
- Overall, she has been a Barclays customer for three decades and deserves better.

One of our investigators looked at Ms C's complaint, but she did not uphold it. She said Barclays was entitled to make its own decisions about its lending criteria and risk appetite, and the Financial Ombudsman Service cannot interfere with those decisions. She said that meant she couldn't recommend that Barclays extend Ms C's SBL or increase her overdraft.

Our investigator also said she was satisfied that Ms C had already used the available PAYG options on her BBL, and that Barclays is not required to extend further support on that loan.

So far as customer service is concerned, our investigator agreed that Barclays had given Ms C inconsistent information, but she thought the bank's apology and offer of £100 represented fair compensation.

Ms C didn't accept our investigator's opinion. She said that the government had announced that lenders should give borrowers additional support, but Barclays wouldn't give that support to her. She acknowledged that she had exhausted the PAYG options on her BBL, and that she had found a way to proceed without the overdraft extension – but she still wanted Barclays to help her with the SBL, which she said was the main issue.

Ms C told us that she accepts that she may not meet Barclays' lending criteria, but she suspects she may never have met the bank's criteria – and that things have only changed because the bank staff involved have changed. The new relationship manager has never visited her properties, and she suspects the bank is treating her differently because of her age and the fact she does not use the internet.

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, whilst I am sorry to further disappoint Ms C there is very little I can add to what our investigator has already said.

The primary disagreement between Ms C and Barclays is that she would like the bank to make changes to her larger loan (the SBL), and the bank is not willing to make those changes. My view is that Barclays is entitled to set its own lending criteria, and it would not be appropriate for me as an ombudsman to interfere with the bank's commercial discretion. Similarly, the bank is entitled to choose whether to visit its customers' properties and I don't think it would be fair for me to criticise Barclays for not visiting Ms C (even if it did choose to visit her in the past).

I acknowledge that Ms C is very unhappy with Barclays' position, but I see nothing unfair about what it has done. I can see that the bank has taken into account the performance of her business, which is what I would expect a bank in Barclays' position to do. The government has not done anything that would require Barclays to offer further support in respect of Ms C's SBL.

Ms C says she feels Barclays has discriminated against her on grounds of her age and her lack of internet access. Barclays told us that it never intends for any customer to feel that they have been treated differently, and it would like to extend its apologies to Ms C if that is how she has been made to feel. It recognises that many of the conversations its Business

Support team have had with her are likely to have been difficult, as is often the case when customers are being asked to make tough decisions about their businesses. But it it said that Ms C's age and the fact she doesn't bank online has had no bearing on the decisions it has made or on the conversations its staff have had with her. It also said that at the point Ms C applied for finance, she evidenced affordability to meet the required repayments and the facilities were granted on that basis.

I can understand why Ms C is concerned about discrimination, but having looked at all the evidence I don't think Barclays has discriminated against her. Nor do I think it has treated her unfairly or unreasonably. I hope that it helps Ms C to know that someone impartial and independent has looked into her concerns.

Barclays did make an error when it wrote to Ms C and gave her information that was not true (including telling her that it had offered her a term extension on her SBL). But I think its apology and offer to pay £100 represents fair compensation for that mistake. I don't think it would be fair for me to order Barclays to pay compensation for any other issues, because other than giving incorrect information I don't think the bank has done anything wrong.

My final decision

My final decision is that Barclays Bank UK Plc's offer of £100 is fair in the circumstances of this complaint. I therefore order Barclays Bank UK Plc to pay £100 to Ms C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 30 April 2025.

Laura Colman
Ombudsman