

## The complaint

Mr P complains that Barclays Bank UK PLC trading as Barclays Wealth Management (Barclays) withdrew the Portfolio Finance credit facility he opened in April 2014. By withdrawing the facility Mr P was forced to sell assets to repay the balance.

## What happened

Mr P applied for the credit finance facility on 23 April 2014 with a limit of £100,000 which was granted. On 28 June 2023 Barclays wrote to Mr P confirming that on 30 November 2023 the Portfolio Finance facility would be closed.

Mr P has said that he was not made aware the facility could be removed, and during annual reviews Barclays gave no indication that it would be withdrawn. When the notice of withdrawal was issued, Mr P was told that all outstanding balances would need to be settled by November 2023. Mr P explained that in order to repay the balance of approximately £400,000, he needed to sell other assets he held which resulted in a capital gains tax liability.

Barclays has said that it decided to remove the facility following a business review as there had been a decline in demand for the facility. They also said if clients had assets of £3,000,000 or more with Barclays they could be moved to an alternative product.

Mr P complained to Barclays about how they handled the removal of the facility; he had asked for more time to repay the outstanding balance, but as it wasn't provided, he had to sell investments to replay the facility causing a tax liability.

Barclays did not uphold the complaint and explained that the terms of the agreement allowed them to remove the facility at any time after providing 30 days' notice. Barclays highlighted that it had given approximately six months for the facility to be repaid, which it considered an appropriate length of time for clients to repay any finance and make alternative arrangements.

In its response to the complaint Barclays said that Mr P was contacted by his Wealth Manager and was provided with the options that were available for clients that did not meet the new eligibility criteria.

In respect of the request to extend the deadline to repay the facility Barclays explained that it could consider requests but was not obliged to grant extensions. It notes that Mr P took the decision to sell assets on 7 November 2023 to clear the balance owed.

Mr P was not happy with the response he received from Barclays and referred the complaint to our service for consideration.

Our investigator considered the complaint and said it was not one that they could uphold. They felt that Barclays had not acted incorrectly when withdrawing the facility.

Mr P disagreed with the outcome our investigator reached and requested that an

ombudsman consider his complaint.

### **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 read Mr P's submissions I can appreciate his sense of feeling about what has happened. However, I should clarify that our service does not have the power to tell a business what products it should offer or force a business to provide a product or service.

Mr P has said that following the removal of the Portfolio Finance credit facility he should have been "grandfathered" into the replacement product being offered. As I've explained above our service cannot compel Barclays to do this and I can only consider how Barclays handled the closure of the facility Mr P had.

In his submissions to our service, Mr P has said he was not made aware of the risk that existed should the facility be closed. I've reviewed the Portfolio Finance Application Form which was signed by Mr P on 23 April 2014. Under the introduction section on the second page of the application, it states: -

*"We may ask you to immediately repay the liabilities you owe us at any time. We will try to give you notice and reasons when we do this"*

Further, on the same document and prior to where Mr P would need to sign, there is a section setting out what would happen in the event the facility is withdrawn.

Under section 27.1 it states *"Either of us may terminate the Portfolio Finance Agreement by giving 30 days' notice in writing to the other party"*

I'm satisfied that these two extracts from the application Mr P signed made it clear that the facility could be withdrawn and that any amounts owed would need to be repaid, and potentially at short notice.

I have also seen that Barclays did highlight the importance of reading the application before agreeing to it.

On the second page of the application it states: -

*"The facilities granted to you are subject to the terms contained in the Application Form. Please read them carefully"*

Immediately above where Mr P signed to agree to the terms it states: -

*"This is our standard Portfolio Finance Application Form upon which we intend to rely. For your own benefit and protection you should read this Portfolio Finance Application Form carefully before signing it"...*

Based on the extracts I've highlighted above I'm persuaded that Barclays made it clear the importance of understanding the terms before agreeing to them.

As such, I do not feel that any of the terms Barclays have relied upon when withdrawing the facility were hidden or ambiguously worded. And so Mr P ought to have been able to see and understand them.

I've then gone on to consider how Mr P was informed of the withdrawal of the facility. I have

a copy of a letter sent to Mr P dated 28 June 2023 where it informs him that the finance facility would be closed on 30 November 2023. But prior to that, I can also see Mr P's Wealth Manager contacted him on 12 June 2023 to notify him the facility was being withdrawn. The manager highlighted potential avenues for Mr P to settle his balance.

The terms Mr P agreed to say that Barclays need only give 30 days' notice, but Barclays have given significantly longer than this to allow time for him to consider his options and obtain further advice.

In respect of how Barclays provided notice to Mr P I'm satisfied that Barclays acted in line with the terms of the facility. I'm aware Mr P had requested an extension to the 30 November deadline to which he says he had no response. However, from the available evidence, specifically the notes provided by Barclays, the request for an extension was made during a telephone call on 24 October 2023. The notes suggest that Mr P was unhappy with the withdrawal of the facility and that he would like a short extension to arrange alternative facilities with other wealth managers. Later the same day Mr P was contacted by his Wealth Manager asking for a timeline so he could put a case forward to get an extension. Mr P responded by asking for a three-month extension.

On 6 November 2023 Mr P's Wealth Manager asked if there was any further update on the alternative facility. Later the same day Mr P responded by saying he hadn't received an update regarding an alternative facility and that he was considering selling part of the portfolio.

On 7 November 2023 Mr P instructed his Wealth Manager to sell some assets which generated £392,704.39. The remaining balance of the facility was paid by transferring £2,842.33 from a savings account.

Mr P says in his complaint form that he received no response to his request for an extension, but I don't agree.. The correspondence I've seen suggests that his request for an extension was under consideration. I accept Barclays neither accepted nor declined the request. However, from the evidence I've seen, they were considering it. It just happened to be that Mr P cleared the balance in the meantime.

I've not seen any correspondence to show that Mr P was advised or coerced in to selling assets, or that any specific course of action was recommended to clear the balance owed. Ultimately, I'm satisfied Mr P's decision to sell assets to generate the funds needed was a decision he made on his own.

In summary, I'm satisfied that Barclays have acted in accordance with the terms of the facility as they had the right to withdraw it and gave significantly over the stated amount of time to repay the balance.

I've not seen any evidence to suggest Mr P was not aware of these conditions as they are clearly outlined in the application he signed and agreed to. I'm also persuaded that Barclays were willing to assist Mr P in the repayment of the facility however he decided to take action and sell assets to repay the balance before an answer had been given on whether an extension would be granted.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 14 August 2025.

Rob Croucher  
**Ombudsman**