

complaint

R, a limited company, complains that Barclays Bank Plc reneged on its offer of free banking. It asks that Barclays refunds business banking fees and provides free banking. R is represented by its director, who I will call Mrs J.

background

Mrs J says she met with Barclays in 1998 after it made a number of errors which caused her and her customers embarrassment. Barclays promised free banking for the lifetime of the company. In mid 2014 it gave notice and started to apply fees to R's account.

The adjudicator did not recommend that the complaint should be upheld. He said Barclays was entitled to make changes to the account terms, including the fee structure. It gave notice of the changes. The adjudicator said the £100 paid by Barclays as compensation for the time taken to respond to its complaint and for any inconvenience was fair.

R did not agree. On its behalf, Mrs J said Barclays made the offer of free banking because of the potential consequences of its errors in 1998. If she had known Barclays could renege on its offer at any time she would have considered other options. She said Barclays offered free banking for R's lifetime as it did not expect a business run by a woman to last long. She says Barclays would not have reneged on a similar deal with a man.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Barclays wrote to R as part of a price plan review of its customers. It gave R notice that it would apply charges to its account under a new price plan. I think Barclays is entitled under the terms and conditions to apply the charges.

Barclays says it no longer offers free banking. While I know Mrs J will be disappointed, I don't think it would be reasonable for me to require it to offer free banking to R.

The offer of free banking Mrs J refers to was made in 1998. Understandably, there is limited information available from that time. Mrs J says she was misled that the offer of free banking was for the life of the company. I think Barclays' offer of £100 for any inconvenience caused by this and the time taken to respond to R's complaint is reasonable. R had the benefit of free banking from 1998 to 2014.

I have not seen anything to persuade me Barclays' decision to offer free banking in 1998 or to apply charges from mid-2014 was due to Mrs J's gender.

my final decision

My decision is that I do not uphold the complaint as I find the compensation paid by Barclays Bank Plc was fair and reasonable in the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 9 November 2015.

Ruth Stevenson
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