

## **The complaint**

A limited company, which I'll refer to as 'W', is unhappy with the service it received from Barclays Bank UK PLC surrounding the defaulting of its Bounce Back Loan ("BBL").

W's complaint is brought to this service by its director, whom I'll refer to as 'Mr K'.

## **What happened**

W had a BBL with Barclays and was making monthly payments towards the loan in line with its contractual repayment obligations. However, in November 2022, W didn't make the monthly payment for the BBL. And it also didn't make the monthly payments for December 2022 and for January and February 2023.

Barclays tried to contact W to discuss the deteriorating position of the BBL. Mr K received Barclays' correspondence, but because he has a severe hearing impairment, he wasn't comfortable speaking with Barclays on the telephone as they wanted him to. Because of his hearing impairment, Mr K asked Barclays to correspond with him about W's BBL arrears by email. But Barclays refused, and in March 2023 they issued a formal demand to W regarding the BBL and defaulted the loan the following month. Mr K wasn't happy about this, so he raised a complaint on W's behalf.

Before Barclays issued a formal response to W's complaint, Mr K referred the complaint to this service. Shortly afterwards, Barclays explained to this service that they didn't feel that they'd acted unfairly in how they'd managed this situation and noted that they do have support available for account holders with hearing impairments, but that Mr K hadn't requested any such support when he had spoken with them.

One of our investigators looked at this complaint. But they didn't feel that Barclays had acted unfairly in how they'd administered the BBL or interacted with Mr K, and so didn't uphold the complaint. Mr K 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.

The terms and conditions of the BBL, to which Mr K agreed when applying for and accepting the loan on W's behalf, include the contractual obligation to make the monthly payments towards the BBL as stipulated by the agreement. And the BBL agreement also confirms that a loan account holder will be considered to have defaulted on the terms of the loan if they don't meet these contractual repayment obligations.

In this instance, W missed several monthly payments from November 2022 onwards. This meant that W's BBL fell into a position of multiple arrears. Because of this, I'm satisfied that W didn't meet its contractual repayment obligations as per the loan agreement. And I'm consequently satisfied that that it was fair for Barclays to consider W to have defaulted on

the BBL agreement and to have issued the formal demand for full repayment of the outstanding BBL balance that it did in March 2022.

Notably, when W missed its first monthly payment in November 2022, Barclays sent correspondence to Mr K advising him of the missed payment and asking him to call Barclays and speak with them about the arrears that had accrued the loan. Barclays then sent several further letters of a similar nature to W as later monthly payments weren't made.

It was Mr K's responsibility, as the director of W, to have monitored the BBL by whatever means necessary and to have understood that payments had been missed which needed to be addressed. And this is regardless of whether Mr K was receiving the arrears correspondence from Barclays that I've mentioned above.

Mr K has explained that he suffers with a severe hearing impairment which means that it's difficult and painful for him to hold a conversation on the telephone. I can only sympathise with Mr K in this regard. But it must be noted immediately that Mr K's hearing impairment didn't in any way affect W's contractual obligations regarding the BBL. And this includes W's obligation to make the ongoing monthly payments towards the loan that were contractually required of it by the BBL agreement.

Mr K has explained that the letters W received from Barclays asked him to telephone them to discuss W's BBL. And Mr K feels that he wasn't reasonably able to do this because of his hearing impairment and the difficulty and discomfort it caused him when using the phone.

But the letters Mr K was receiving also said that Mr K could make an in-person visit to one of their branches to discuss the arrears. This seems like a fair alternative to a telephone call to me. And while I can appreciate that it might have been inconvenient for Mr K to have visited a Barclays branch in person, I feel that Mr K's contractual obligations towards the BBL, in his role as the director of W, reasonably outweigh any inconvenience that visiting a branch in person may have caused him.

I'm aware that Mr K is unhappy that Barclays wouldn't allow him to correspond with them by email, and he feels that Barclays are discriminating against him on the basis of his hearing impairment by not doing so.

Barclays explained to Mr K that in this instance, email correspondence wasn't possible. And they've further explained that the reason for this is that their account security protocols don't allow for an account holder to confirm their identity and pass those security protocols by email. Instead, Barclays require to speak with an account holder, either on the telephone or in person, for the relevant security protocols to be passed.

Ultimately, it's for Barclays to set their security requirements as they see fit. Additionally, Barclays have explained that they do have reasonable alternatives in place for account holders with hearing impairments. These include that Mr K could have nominated a trusted person to speak on the phone on his behalf, or he could have visited a Barclays branch and been assisted on the telephone by one of Barclays branch staff.

Barclays position here seems reasonable to me, and I feel that their account security requirements outweigh Mr K's wish to correspond by email, especially as Barclays had alternative options available for Mr K, as described above. So, while I acknowledge that Mr K feels that Barclays have discriminated against him given the problems he's experienced, having looked at all the evidence I don't think Barclays have done so. Nor do I think that Barclays have acted unfairly or unreasonably. I hope that it helps Mr K, as the director of W, to know that someone impartial and independent has looked into their concerns

Having listened to a recording of a March 2023 phone call between Mr K and Barclays, it's notable that when Mr K explains his hearing impairment to Barclays' agent and refers to it again later in the call, that Barclays' agent asked Mr K if he wanted to continue the call or discuss the reasonable adjustments that Barclays could provide. However, on all occasions, Mr K said that he was willing to continue to call. And while Mr K mentions to Barclays' agent that he finds the call difficult because of his hearing impairment, at no time does he explain to the agent that the call is causing him pain.

Mr K has explained that he didn't mention the pain he was experiencing because he was embarrassed to do so. Again, I can only sympathise with Mr K in this regard. But I can also only reasonably expect Barclay's agent to have responded to the information that Mr K gave to them. And, in this instance, I'm satisfied that Mr K did indicate that he was willing and able to continue with the phone call and didn't inform the agent that he was in pain.

It also seems evident to me, having listened to the call, that Mr K was able to understand the conversation he was having with Barclays' agent. Importantly, this included that Mr K would call Barclays back the next day to provide financial information for W that he didn't have on him at that time which would allow Barclays to consider how they might assist W in clearing the outstanding arrears on the BBL. But Mr K didn't call Barclays back the next day as he'd promised to, and he didn't visit a branch or contact Barclays by any other means.

All of which means that I don't feel that Barclays have done anything wrong or acted unfairly here as Mr K contends. And it follows from this that I won't be upholding this complaint or instructing Barclays to take any further or alternative action here. This is because, ultimately, W didn't meet its contractual repayment obligations as per the BBL agreement. Because of this, I feel it's fair that Barclays followed the account arrears process that and they did which resulted in the eventual defaulting of W's BBL.

And it's also because I feel that Barclays are entitled to hold the account security requirements that they do, which means that Mr K couldn't correspond with them by email as he wanted. And I feel that this is fair even is in consideration of the hearing impairment Mr K suffers with, for which I'm satisfied Barclays could have provided reasonable adjustments for Mr K as a director of W, but which he didn't request.

### **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 W to accept or reject my decision before 28 December 2023.

Paul Cooper

**Ombudsman**