



The complaint

Miss T is unhappy that Barclays Bank UK PLC defaulted her account.

What happened

Miss T had a Barclays current account which she left to go dormant in 2013 as she'd opened accounts with a different bank.

In April 2023, Miss T raised a complaint with Barclays as she'd discovered that Barclays had defaulted her account because of an unpaid overdrawn balance about which she'd never been made aware.

Barclays responded to Miss T and explained that the overdrawn balance had been incurred because of a direct debit that had remained active on the account since 2013. Barclays also explained that they'd sent account statements and arrears correspondence to Miss T, and so didn't feel they'd done anything wrong by administering the account as they had. Miss T 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 T 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 T has explained that she abandoned the Barclays account in 2013, at which time she intended for the account to go dormant and to not be used by her again.

But it's notable from the account statements that, while it was the case that Miss T last used the account in 2013, the last transaction left the account with a balance in credit of £196.26. And it's unusual for an account to be abandoned with no future planned use with a relatively large amount of money remaining in that account, as was the case here.

Additionally, Barclays have explained that an annual direct debit remained active on the account. And the annual payment of this direct debit eroded the balance present in the account and took the account into the arranged overdraft in 2015.

The continuing payment of the annual direct debit caused the overdrawn balance of the account to exceed the agreed overdraft limit in 2017, and in 2019 the overdraft facility on the account was removed because of the unauthorised overdraft position and the lack of payments into the account during the preceding years. Then, in 2020, Barclays began the process of defaulting the account, which took place in May of that year.

Importantly, Barclays have been able to demonstrate to my satisfaction that they sent correspondence about the account to Miss T throughout the years that Miss T had abandoned it – from 2013 onwards – and that this correspondence was sent to Miss T's

correct address – the address which Miss T has provided to this service as being hers.

It's therefore difficult to see what Barclays did wrong here. Miss T left the account open with a balance in credit and an active direct debit. And Barclays wrote to Miss T regularly informing her of the position and status of her account, including when it went into an agreed, and then an unagreed, overdrawn position, and when the process to default the account because of the unpaid overdrawn balance commenced.

I'm also satisfied that Miss T had a prolonged opportunity to avoid the defaulting of her account during the many years that this matter has progressed. Ultimately, as the account holder, it was Miss T's responsibility to have been aware of the balance and status of the account, via any of the several channels available for her to do so. But it appears that Miss T may have ignored the letters that Barclays sent to her about her account, and that she didn't maintain an awareness of the account by any other channel. And if this was the case, then it's not Barclays fault that the account defaulted as it did.

Finally, Miss T has said that she cancelled the direct debit in question when she abandoned the account. This service can only consider complaint points that have previously been raised with the respondent business and which therefore that business has had an opportunity to consider and respond to. But this aspect of Miss T's complaint hasn't previously been raised with Barclays, and so if Miss T wishes to pursue this aspect of her complaint, I can only refer her to Barclays to raise it with them directly in the first instance.

All of which means that I don't feel that Barclays have acted unfairly or unreasonably here as Miss T contends, and it follows from this that I won't be upholding this complaint or instructing Barclays to take any further action. I realise this won't be the outcome Miss T was wanting, but I hope that she'll 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 T to accept or reject my decision before 6 December 2023.

Paul Cooper
Ombudsman