

The complaint

Mr R complains that Barclays Bank UK PLC, trading as Barclaycard, sold his debt to a debt collection agency. He says phone calls from the debt collection agency have affected his mental health. He wants Barclaycard to take back possession of the debt or write it off; and he would like compensation for the distress caused.

What happened

In or around December 2011 Mr R told Barclaycard he was experiencing financial difficulties. Barclaycard agreed Mr R could make token monthly payments of £1. This arrangement is still in place as Mr R's circumstances have not changed. No interest or charges are being incurred on the account.

In August 2019, Barclaycard sold the debt to a debt collection agency who contacted Mr R for repayment of the debt. Mr R says this is against the Lending Code.

Barclaycard said it was confident that the debt collection agency was able to deal compassionately with Mr R taking into account his sensitive situation.

Our investigator did not recommend that the complaint should be upheld. She couldn't conclude that Barclays had done anything wrong.

Mr R didn't agree. He said, in summary, that:

- The Lending Code guidelines were clear that a debt should not be sold to a debt collection agency when there's *"evidence of a customer's mental health problems that affect the customer's ability to repay their debts"*.
- He brought another complaint to our service about a different lender and that was settled in his favour.

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.

In considering what is fair and reasonable. I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the time.

Having done so, I've come to the same conclusion as our investigator. I'll explain the reasons why.

Barclaycard says Mr R hasn't provided it with evidence of his mental health condition. When Barclaycard asked him about this, he sent it evidence about his wife, but nothing about himself. And I can see that Barclaycard tried to engage with Mr R further, but without success.

Barclaycard told us it will consider, with the debt collection agency, the outstanding debt if Mr R provides it with the evidence about his mental health condition that it's previously requested. And that, bearing in mind Mr R's circumstances have not changed for a number of years, it will be open to considering a medical write off of the debt.

But, as things currently stand, I'm satisfied that Barclaycard has recognised Mr R's vulnerabilities and that it took these into consideration when it took the decision to sell the debt. I find it did enough to satisfy itself that the debt collection agency has policies and procedures in place to treat Mr R sensitively and sympathetically.

Barclaycard hasn't seen evidence of Mr R's mental health condition. So, overall, I don't think Barclaycard treated Mr R unfairly when it sold the debt.

In arriving at my decision, I've taken into account what Mr R says about another complaint he brought to this service. But I've considered the individual circumstances about *this* complaint, and the outcome of his other complaint does not change my conclusion here.

My final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 30 June 2021.

Elizabeth Dawes
Ombudsman