

The complaint

Mr J's complaint is about the information he received from Barclays Bank UK PLC trading as Barclaycard in relation to the repayment plan for his credit card account. Mr J is unhappy with the customer service he received.

What happened

Mr J entered into a repayment plan with Barclaycard for his credit card account in September 2020. The plan meant Mr J would pay £20 per month for 12 months. No interest would be applied to Mr J's account during this time.

Mr J contacted Barclays about his repayment plan on a number of occasions. In summary, the main points Mr J has raised are that Barclaycard:

- Provided conflicting and unclear information about the payments for his plan.
- Recorded inaccurate information on his credit file.
- Left him on hold during a phone call for almost three hours.
- Wouldn't accept his payments over the phone.
- Sent inaccurate information about arrears on the account.
- Has not acted responsibly or professionally in dealing with his concerns.

Barclaycard reviewed Mr J's concerns and accepted that the level of service it had provided on occasions fell short of what Mr J had the right to expect. This included the wait time he experienced on the phone and some of the information he received which wasn't very clear. It apologised for these issues and offered Mr J compensation totalling £50.

But Barclaycard said it had a legal obligation to send Mr J letters about the position of his account and the information it had recorded about Mr J's account on his credit file was accurate. So, it didn't uphold this part of Mr J's complaint.

Mr J remained unhappy with Barclaycard's review of his concerns and referred his complaint to our service. One of our investigator's looked into it. Overall, he felt Barclaycard had treated Mr J fairly but he acknowledged that some service issues warranted compensation. He thought it would be fair for Barclaycard to increase the offer of compensation to £100.

Barclaycard agreed to increase its offer to this amount. But Mr J didn't agree with the outcome the investigator reached and he added that Barclaycard had also incorrectly placed his account on hold. The investigator looked into what Mr J had said and found that Barclaycard had responded separately to this additional point. He said that Barclaycard had apologised and offered £25 compensation for the confusion its letter had caused. And it had explained that Mr J's account was placed on hold to prevent charges and interest being applied. So, he didn't think Barclaycard needed to do anything more. Overall, he felt the £125 compensation offered by Barclaycard in relation to all the complaint points Mr J had raised was fair.

As agreement couldn't be reached, the complaint has been referred to me – 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.

There's a great deal of correspondence on this complaint and several complaint points have been raised. I will, however, focus on issues which are - in my opinion - relevant to reaching a fair outcome to this complaint. This isn't meant as a discourtesy. It simply reflects the informal nature of our service.

I'm sorry to hear of the issues Mr J has experienced with his account. It's not in dispute that the service provided by Barclaycard hasn't always been acceptable.- Mr J has been provided with some unclear and inaccurate information at times and he has had to spend time and effort contacting Barclaycard to resolve these issues which I appreciate must have been stressful for him given his medical situation and the impact of this on his finances. So, I've given careful thought to whether the subsequent actions taken by Barclaycard is enough to fairly recognise the distress and inconvenience Mr J encountered.

Firstly, I think it's important to clarify that it's not in dispute that Mr J was struggling to make his contractual credit card payments and he asked Barclaycard for support. And I'm satisfied that Mr J got the support he needed. Barclaycard offered Mr J a repayment plan. This meant he was allowed to make reduced payments. I can see that later there was some confusion about Mr J's account being put on hold, but Barclaycard has explained this was to ensure that charges and interest due were suspended. As suspending charges and interest is another remedy a business can apply when a consumer is facing financial problems, I'm satisfied that Barclaycard's actions were reasonable. Barclaycard has accepted its letter explaining Mr J's account was on hold may have been confusing and it has offered £25 compensation. Overall, I think this is fair.

Although Mr J had entered a repayment plan with Barclays, he continued to receive letters about missed payments and his account being in arrears. I have no doubt that these letters must have been worrying for Mr J, especially as he had entered into a repayment plan and wanted to prevent his account from going into default. But as Mr J was not making the necessary contractual repayments to his account, I'm satisfied that Barclaycard is under a legal duty to write to him about what this meant. I understand that the letters might have caused some confusion as they said Mr J's account was in arrears when he was making the payments he'd agreed. But as Mr J's payments were less than his contractual payments his account was in arrears. Barclaycard was obliged to set out, in writing, the impact of not meeting the contractual repayments would have on Mr J's account and his most importantly his credit file. So, although I understand the confusion these letters and notices may have caused, I consider the correspondence to have been necessary to ensure Barclaycard was doing it all it needed to in relation to Mr J's account.

Mr J has concerns about how Barclaycard has recorded information on his credit file. Barclaycard has confirmed Mr J's account is not in default, and no default has been added to his credit file. But Barclaycard is required to record information with the credit reference agencies about the repayment plan i.e. to show he was not meeting his contractual payments. Barclaycard's most recent update to our service suggests Mr J is now meeting his contractual repayments, so I would expect Mr J's credit file to reflect this from the point he recommenced his contractual payments. But overall, I haven't seen anything to suggest that Barclaycard has reported information inaccurately. So, I'm not persuaded it has to make any amendments to Mr J's credit file for the period he was unable to make his contractual payments.

Barclaycard has accepted that there were some short comings in the service it provided when Mr J had cause to contact it about his repayment plan. It's not in dispute that he was given some incorrect information in September 2020. Mr J was initially told that he had not made any payments towards his repayment plan and so it had been cancelled.

While Mr J was initially given wrong information, I'm persuaded that this didn't have a drawn-out impact on him. I say this because I've seen that Mr J was ultimately given the correct information on the same day. I can also see that when Barclaycard reviewed Mr J's complaint about this point, it accepted the information initially provided was incorrect and apologised for this. The compensation of £25 Barclaycard offered was made in part to cover this issue. Barclays also clearly set out the exact dates Mr J was due to make repayments in its final response letter of 3 November 2021, ensuring he had a written copy of the dates to assist him with payments going forward. So, I'm satisfied Barclays has done enough to put things right here.

Mr J says he was left on hold during a phone call with Barclays in January 2021 for almost three hours. Barclays has said Mr J was not on hold for this long. Looking at the available evidence, I agree that Mr J was left on hold for an unreasonable amount of time. I appreciate this must have been frustrating for Mr J, especially as he was looking for information about his repayment plan in light of the letters he had received. Barclays has apologised for this delay and offered £25 in recognition of its shortcomings. It also says feedback has been given to the relevant member of staff and the manager responsible. Barclays has taken proactive steps here, and while I understand Mr J doesn't think it has done enough, given the circumstances I wouldn't expect it to do anything beyond this.

When Mr J's repayment plan was set up, he attempted to make a payment over the phone in January 2021. This was not possible as the call handler at the time was unable to process the payment. Barclaycard has explained this was due to a technical issue with its system during a call with Mr J. I understand this must have been worrying for Mr J, but Barclaycard explained the issue and assured Mr J that it was being looked into. The call handler also offered to assist Mr J in making the payment online. Mr J was told £50 would be credited to his account in light of the issues, but this wasn't actioned. Overall, I can't see that this issue had a lasting negative impact on Mr J, as it seems he was eventually able to make the payment, and there was no adverse impact on his repayment plan.

I understand Mr J's dealings with Barclays about his account have been a source of stress and concern. And I agree there have been some shortcomings on Barclays' part. But it has recognised these and taken steps to address them. Overall, I consider the level of service Mr J received to be reasonable and Barclays has shown its willingness to assist Mr J in managing his account, to reach the best possible outcome given the circumstances.

I know this will not be the outcome Mr J was hoping for and he will be disappointed with the decision I've reached. But I hope my decision provides some clarity around why I won't be asking Barclays to take any further steps than already outlined.

Putting things right

Barclaycard has said it will work with Mr J going forward if he needs assistance managing his account and the outstanding balance. In addition to this Barclaycard should pay Mr J £125 compensation in recognition of the distress and inconvenience suffered during his dealings with it.

My final decision

I uphold this complaint and require Barclays Bank UK PLC trading as Barclaycard to put things right by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 8 November 2022.

Chandni Green
Ombudsman