

## **The complaint**

The estate of Miss S complains about the interest Barclays Bank UK PLC trading as Barclaycard charged Miss S and also complains that the account shouldn't have been opened. The complaint is brought by Ms T.

## **What happened**

Ms T says Miss S was charged excessive interest on her account which was thought to be a loan account but was a credit card account. She also says the account shouldn't have been opened in the first place due to Miss S's financial position. Ms T would like Barclaycard to refund interest on the account and says it should have done more to help Miss S.

Barclaycard says the account was opened in 2002 and says it applied interest in line with account terms and conditions when the full account balance was not repaid in full each month. It says it had no contact with Miss S about any financial difficulties until June 2022.

The complaint was brought to us, and our investigator upheld it in part. The investigator thought Barclaycard ought to have done more to help Miss S from June 2022 when it became aware of her financial difficulties. He recommended that interest and charges be refunded from that date and an affordable repayment plan be agreed.

Barclaycard has agreed to that recommendation.

Ms T doesn't accept that view and says help should have been given in 2018. The estate has confirmed that it no longer seeks a jurisdiction decision about if we can consider the complaint about the account opening in 2002.

## **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.

Having done so I have come to the same overall view as the investigator. I make clear that I can't consider the events of 2002 about the account opening but, in any event, can see the estate no longer seeks a jurisdiction decision.

I'm satisfied that Miss S would have agreed to Barclaycard's terms and conditions when the account was first opened. This was a credit card account and not a loan account and think it would have been explained in 2002 that interest would be charged each month if an account balance was not repaid in full each month. So, I don't think Barclaycard made a mistake by charging interest in these circumstances when it's clear from the account statements Miss S didn't repay the full account balance each month. It is not our role to decide if the interest rate itself is unfair or too high.

I appreciate that it is said Miss S was in financial difficulties and that Barclaycard ought to have known that from 2018. But I disagree and can't see any evidence that Barclaycard was told about such difficulties until June 2022. And I would have expected Miss S to have told

Barclaycard if she was in financial difficulties. I appreciate the estate says Barclaycard didn't follow the Persistent Debt (PD) rules but again I have not seen any evidence of that or that Barclaycard could have done anything differently from 2018. I'm satisfied that having looked at the PD rules that Barclaycard would have started the process in around 2018 which doesn't mean it ought to have concluded Miss S was in financial difficulties then.

Overall, I'm satisfied that Barclaycard ought to have done more to help Miss S when it was told in June 2022 that she was in financial difficulties. It ought to have treated her positively and sympathetically. But I can see that it now accepts that and has fairly offered to refund interest and charges from that date.

### **Putting things right**

Barclaycard should refund interest and charges as agreed from June 2022. Barclaycard will be aware of the change in the circumstances about this complaint and no doubt will explain to the estate the next steps about this debt. It will also appreciate why Miss S couldn't agree a repayment plan as it suggested in late 2022.

### **My final decision**

My final decision is that I uphold this complaint in part and order Barclays Bank UK PLC trading as Barclaycard to refund interest and charges on Miss S's account from June 2022.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Miss S to accept or reject my decision before 29 March 2023.

David Singh  
**Ombudsman**