

## **The complaint**

Ms C's unhappy with how Barclays Bank UK PLC, trading as Barclaycard, dealt with her application for an Avios Plus credit card.

## **What happened**

In March 2022, Ms C applied online for a Barclaycard Avios Plus credit card. Subject to specific eligibility criteria, and in return for a monthly fee of £20, the card provided customers with airmiles based on spending and a welcome bonus of 25,000 Avios points if they spent £3,000 on the card within the first three months of the start of the account.

Before accepting the application, Barclays required customers to validate their income either by uploading bank statements or allowing a credit reporting agency (CRA) to run checks for the previous 12 months. Ms C opted to use a CRA but, when she encountered difficulties, she was asked to provide bank statements instead. There were further problems.

Following calls to Barclays and a branch visit, Ms C eventually received the credit card two weeks after first applying for it. She was given a credit limit of £200.

In response to Ms C's complaint to it about the application process, Barclays credited her account with £50 for the frustration and inconvenience caused and a further credit of £20 to cover one month's card fee during which time she was unable to have her credit limit increased. By mid-April 2022, Ms C was still encountering problems in arranging for an increase to the credit limit that might have allowed her to earn the bonus points. By way of compensation and an apology for the handling of her complaint, Barclays offered to pay her a further £50 and credit her account with 5,000 Avios points (I gather it also added these points for other customers who encountered difficulties in applying at the time). But it maintained it couldn't re-start the three-month spend period in which Ms C could earn bonus points despite the problems she'd faced.

Barclays closed the account in early May 2022 as Ms C's income had yet to be validated.

Unhappy with Barclays' actions, Ms C brought her complaint to our service. One of our investigators looked into the complaint but didn't recommend that it should be upheld. They believed the compensation offered was fair in response to the problems she'd experienced, and that Barclays had given appropriate alternative options for Ms C to validate her income.

As Ms C was unhappy with the investigator's findings, the complaint was passed to me to review afresh and reach a decision. Among other things, Ms C felt the investigator had missed some key points. These included that she'd made three attempts to provide the information Barclays had requested and it was only after then that she decided not to try and upload her statements again. Ms C wanted Barclays to put her in the position she'd have been in had it not made any errors. In her view, that meant giving her the opportunity to open the account and earn the bonus points on offer she'd have otherwise earned were she given sufficient time in which to do so.

## **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've decided not to uphold the complaint. I'll explain why.

As Ms C points out, it's not in dispute that Barclays could have handled things better than it did. It's acknowledged that and apologised to Ms C, as well as offering her 5,000 Avios points and a total of £120 in compensation. I gather customers earn 1.5 Avios points per £1 spent on the card, meaning Ms C would have needed to spend £3,333 on her card to earn the 5,000 points Barclays offered her.

It's seldom easy to determine what level of compensation's payable for non-financial loss because the issue is subjective by its very nature. But even if I accepted that Barclays was at fault for all the issues Ms C experienced in applying for the account and validating her income, I'm satisfied that Barclays' offer represents fair compensation for the distress and inconvenience caused.

Ms C says Barclays was obliged to offer to refund one month's account fee due to the application delays and that other customers that encountered problems were also offered 5,000 points. While that might be the case, that doesn't make the offer to Ms C unfair.

I realise that what Barclays has offered isn't necessarily what Ms C wants. Rather she'd like it to re-open the account that was closed in May 2022 and have a reasonable opportunity to earn the Avios points bonus as advertised. But there are practical issues with doing that, even if I believed that was a fair way forward. Barclays confirms it's unable to re-open closed credit card accounts on its systems. I recognise that some banks allow accounts to be reopened and that others don't. I accept that what Barclays says about that is correct in this case.

Further, Barclays says Ms C could have re-applied for an account six months after her initial application. It advised against applying sooner than that to avoid multiple credit search footprints that might adversely impact Ms C. Given six months had passed by September 2022, I'm satisfied it was open for Ms C to re-apply after that time, in a fresh attempt to earn the bonus points she wanted. And I've seen nothing in the Barclaycard Avios rules to suggest Ms C was prevented from claiming bonus points given they've not been added to her account before.

I've thought very carefully about whether I should ask Barclays to do more than it has. For example, through it adding the 25,000 points (or some other number of points) to Ms C's account that she'd like the opportunity to earn. That said, I've decided not to make a recommendation since I can't say on balance how many points Ms C might have earned even if the original application had been accepted sooner.

Overall, while I accept Barclays could have handled matters better than it did, I consider that it's responded fairly to the issues Ms C's raised.

## **My final decision**

For the reasons given, I've decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 4 January 2023.

Nimish Patel  
**Ombudsman**