

The complaint

Mr V complains Barclays Bank UK PLC, trading as Barclaycard, reduced his credit limits and applied a persistent debt marker on his file. Mr V is also unhappy that Barclaycard did not consider his communication needs and did not adapt their usual processes to accommodate him.

What happened

The facts of this case are well known to both parties, so I won't repeat them in detail.

In summary, Mr V doesn't think it's fair Barclaycard suspended his accounts, reduced his credit limits and put a persistent debt marker on his file. Mr V also says that he's unhappy with the way Barclaycard have communicated with him throughout the process, and in response to his complaint. Mr V says he is only able to communicate via written communication, but Barclaycard removed their online secure messaging function and often wrote to him asking him to call them.

Barclaycard say they marked Mr V as in persistent debt correctly and in accordance to guidance from the Financial Conduct Authority (FCA). Barclaycard say that the default letters they sent him were standard industry practice and they included information on alternative ways Mr V could contact them if he wasn't able to talk on the phone.

Barclaycard agree that they could've handled Mr V's initial complaint better than they did, and to apologise they offered him £50 in compensation.

Our investigator didn't uphold the complaint. Mr V was not happy with this outcome, so the complaint was passed to me. I issued my provisional decision on 4 January 2024. In this I explained that:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'd like to reassure both parties that although I've only given an overview of what happened, I've read and considered everything we've been provided in its entirety."

As set out by our investigator, the Financial Conduct Authority under (CONC 6.7.27) say that persistent debt is when a consumer has paid more in interest, fees and charges than they've repaid towards the capital they owe over the previous 18 months. I've considered what Mr V has said about making regular monthly payments towards his cards. However, even with these monthly payments Mr V has paid more in interest, fees and charges than he has of his outstanding balance. And as a responsible lender Barclaycard have correctly applied the persistent debt marker to Mr V's account in February 2020, so I can't say that Barclaycard have done anything wrong here.

Mr V is also unhappy that his credit limits were reduced in December 2020. But as a responsible lender Barclaycard, in-line with industry practice, conducts regular reviews of their customers' accounts. In December 2020 Barclaycard conducted a review of Mr V's account, including his payment history and the general management of his account, and

they decided to reduce his credit limits. Unfortunately, I can't tell a business how much it should lend its customers – that's for the business to decide. However, I can consider whether Barclaycard acted fairly and reasonably. As Mr V had a high amount of lending and was making low monthly repayments, I think it was reasonable for Barclaycard to reduce his current credit limit to prevent further debt accruing. So, I don't think Barclays did anything wrong here.

In July 2022 Barclaycard decided to suspend both his accounts after writing to Mr V with default notices and payment recommendations several times between 2020 and 2022. I've seen that Mr V has complained that Barclaycard had an incorrect address for him, which caused delays in receiving the letters. However, I think Mr V could've used the online secure messaging (which was available until March 2022) or asked a representative to support him in communicating with Barclaycard to manage his finances.

Overall, I can't say that Barclaycard did anything wrong by applying a persistent debt marker on Mr V's account, reducing his credit limits or suspending his accounts.

In recent correspondence Mr V has told us he is unhappy with how Barclaycard have communicated with him, and he feels they've not taken his communication needs into account. I've seen evidence that in July 2022 Mr V made Barclaycard aware that he required written communication and he logged his preference as either letter or email. Following this Barclaycard continued to send Mr V letters asking him to call them to discuss his financial situation. In September 2022 Mr V informed Barclaycard that his condition had deteriorated and highlighted the importance of written communication for him. Barclaycard say that they offered Mr V a 'Speak and Read' option in their standard default letters, however, Mr V has told us that this is not suitable for him.

I've not seen any evidence Barclaycard made any other attempts to ensure their communication was accessible to Mr V. Mr V asked for an email address to respond to their default letters several times, this was only given to Mr V in September 2022 – after Mr V's accounts had been suspended and several default letters had been sent to him. So, I think Barclaycard could've made better efforts to make their process more accessible to Mr V.

Mr V has also complained that Barclaycard have been sending his letters to an incorrect address which caused a delay in receiving them. I've compared the address Barclaycard have on file with Mr V's address and I can see that they are slightly different. We have updated Barclaycard with the correct address in the hope that this avoids any future problems with Mr V receiving Barclaycard's letters.

Mr V says he was unable to use the secure messaging function from March 2022 as the online banking website had changed – and this made communicating with Barclaycard difficult for Mr V. So, he had no option other than writing letters, which he says were inefficient and often not received or responded to. Barclaycard have confirmed that the secure messaging function was removed but this was replaced by a 'chat' function which provided faster responses. Barclaycard say that Mr V had access to this until November 2022 when his online access was disabled. I appreciate that Mr V would've been used to the secure messaging function, but I think the chat function would've been just as accessible for him – until his account was suspended. So, I think Mr V had an accessible means of communication until November 2022 and I don't think Barclaycard did anything wrong or unreasonable by updating this function.

So, in conclusion my findings can be summarised in two parts. Firstly, I think Barclays added the persistent debt marker correctly to Mr V's account, and I don't think they acted unreasonably by reducing his credit limits and eventually suspending his accounts. Secondly, I think Barclaycard recorded Mr V's address incorrectly which caused a delay in

Mr V receiving their letters. I also think Barclaycard could've done more to make their service accessible to Mr V by providing tailored information about how he could respond to their default letters. Therefore, I intend to instruct Barclaycard to pay Mr V £200 in compensation for the trouble and upset this has caused him."

I asked the parties to the complaint to let me have any further representations that they wished me to consider by 18 January 2024. Barclaycard came back and agreed with my provisional findings.

Mr V responded saying that he doesn't feel £200 is enough to compensate him for the difficulties he had communicating with Barclaycard once the secure messaging was removed. He says he was unable to download the new application to his phone and he prefers not to use a chat facility as it effects his nerve damaged hands.

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.

I've thought about what Mr V has said but this doesn't change my outcome. I understand that Mr V had difficulty with the new application brought out by Barclaycard, but I think it's reasonable for him to be expected to seek help for this. I haven't seen any evidence that he reached out to any technical support team in Barclaycard or elsewhere. I've also considered what Mr V has said about not being able to type for too long, but I think most queries and problems can be sorted out fairly quickly. Had there been something more to discuss Mr V could've used the chat function to ask for an email address instead.

Mr V says he was unaware Barclaycard had already offered him £50 to apologise for the delays in handling his complaint. I direct Mr V to his final response letter dated 10 August 2022 where Barclaycard explain that they have already credit his account £50. If Mr V still disputes this, please get back in contact with us.

Putting things right

Barclays Bank UK PLC, trading as Barclaycard, should pay Mr V £200 in compensation for the distress and upset caused in their failure to adapt their methods of communication to suit his needs.

My final decision

I uphold Mr V's complaint and Barclays Bank UK PLC, trading as Barclaycard should compensate Mr V as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 16 February 2024.

Sienna Mahboobani
Ombudsman