

The complaint

Ms B complains that Barclays Bank UK PLC (“Barclays”) closed her account, failed to deduct payments she’d made from her credit card balance and reported missed payments on her credit file. She’s also unhappy that Barclays contacted her about the missing payments and asked her questions about her mental health.

What happened

Ms B opened an account with Barclays in March 2022 with a 0% interest purchase promotion until March 2024 and a 0% balance transfer offer until January 2024.

In July 2022 Ms B contacted Barclays and said she was experiencing financial difficulties. She told Barclays that she was seeking help from the Citizens Advice Bureau (CAB). Barclays applied a breathing space hold on the account.

In November 2022 the CAB contacted Barclays on behalf of Ms B and offered monthly payments of £1.00. The account was charged off and an informal plan was put in place. A default was recorded in accordance with Barclays policy when account terms are broken.

Later in November 2022 Ms B contacted Barclays and said she could resume monthly repayments.

Between November 2022 and May 2023 there was some back and forth between Barclays, the CAB and Ms B. Ultimately, in May 2023, Barclays agreed to reverse charge off.

Ms B complained to Barclays. At this stage, the charge off was in the process of being reversed. Barclays agreed to remove the default and adverse credit file data. It re-issued the card and unblocked the account. It also paid compensation of £150.

Ms B remained unhappy and brought her complaint to this service. She said she’d made payments to the account which hadn’t been credited and she’d been charged interest on the account even though she was still within the promotional offer period.

During the investigation by this service, Barclays offered to refund £645.03 interest and extend the interest free promotional period to March 2025. It checked Ms B’s payments and said these had been applied to the account. Barclays offered further compensation of £300.

Our investigator upheld the complaint and said the offer from Barclays was fair. She said she was satisfied that all payment made by Ms B had been accounted for, and that the issue with the interest had been resolved. The investigator said that the offer of £300 compensation was fair. The investigator also said that she’d listened to the call recordings but hadn’t found any evidence to suggest that Ms B had been harassed about her mental health.

Ms B didn’t agree. She said she wanted the balance on the account written off so that she didn’t have to have any further involvement with Barclaycard. She said that Barclays were reporting missed payments on her credit file for November 2022. She also said that there

were calls missing from Barclays records and that she'd been harassed about her mental health during a call in January 2023.

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 reviewed the statements of account alongside the information provided by Ms B. Based on what I've seen, I'm satisfied that all payments have been correctly accounted for by Barclays.

Barclays has acknowledged that when the charge off was reversed it omitted to apply the promotional interest rate. It has agreed to refund the overcharged interest as part of its offer to resolve this complaint. This would mean that all of the interest charged - £645.03 – would be refunded. I'm satisfied that this is fair. Barclays has also offered to extend the interest free promotional period to March 2025, which is an additional 12 months beyond the original promotional period. Again, I'm satisfied that this is a fair offer.

Ms B has raised concerns about what she considers to be harassing phone calls from Barclays in which she says she was questioned about her mental health. I've reviewed all the calls provided by Barclays. I can see that Ms B contacted Barclays in July 2022 to let them know that she was suffering financial difficulties due to mental health issues. In response to that call, Barclays applied breathing space to the account. I think this was a positive and sympathetic step for Barclays to take in the circumstances. During a call in November 2022, the agent asked Ms B about her health and whether she needed any additional support. Ms B told the agent that she was on sick leave and receiving sick pay. No further discussion about mental health took place during the call. I can see that Ms B called Barclays in January 2023. The full call isn't available. However, the contact notes show that there was a discussion about Ms B's health and the outcome was recorded as "no update". In a call dated February 2023, the agent asked Ms B about her mental health and Ms B replied that she had previously asked not to discuss this. Further calls took place in April 2023 in which the agent asked whether Ms B had any health issues they needed to know about. Ms B replied that she didn't want to talk about them, and no further discussion took place.

I understand that Ms B feels that the calls amounted to harassment and that she was questioned inappropriately about her mental health. Based on the calls I've been able to listen to, I'm unable to find any evidence that this was the case. Nor have I seen anything in the contact notes which causes me to think that there were too many calls, or that the calls were intended to harass Ms B.

Ms B has said that there are some calls missing. She's particularly concerned about a call which she says took place in January 2023. She says this was the worst call and she feels that it's been deliberately deleted by Barclays. I've referenced that call above, and I've been able to listen to the first – but not the second – part of the call. I can't be certain of what was discussed in the second part of that call. However, I can see that the second part of the call was with an agent from the Specialist Support Team at Barclays. Barclays has explained that this team received advanced training on how to support vulnerable customers, or customers with mental health issues. It's possible that Ms B interpreted the agents attempts to assess her situation and determine the best level of support as intrusive questioning. Without being able to listen to the call, I'm unable to reach any conclusions as to what was said. However, as part of the more general complaint by Ms B that she was harassed with calls and questions about her mental health, having reviewed all of the available information, I haven't seen anything to lead me to conclude that there was harassment. For this reason, I

won't be asking Barclays to increase its offer of compensation, or to write off the balance on Ms B's account.

Finally, Ms B raised an additional complaint point after the investigator had issued her view. Barclays consented to this service looking into it, even though it didn't form part of Ms B's initial complaint. What Ms B said was that her credit file was showing missed payments in February 2022 and November 2022.

In relation to the February 2022 record, the Barclays account wasn't opened until March 2022. Ms B has provided a screenshot showing that ClearScore is reporting a late payment in February 2022 against the Barclaycard. This service asked Barclays to comment, and it said it doesn't report to ClearScore agency. It said it has checked all the credit reference agencies that it does send reports to, and none of them are reporting a missed payment for February 2022.

In the circumstances, it seems likely that the record is incorrect, but this is something that Ms B will need to raise with ClearScore directly.

In relation to the November 2022 record, I've reviewed the account and I can see that a minimum payment of £208.89 was required by 7 November 2022. I can also see that Ms B only paid £50. Because the minimum payment wasn't made, a missed payment was recorded. Ms B has said that she'd agreed a payment of £40 with Barclays but I haven't been able to find any evidence of this. Nor has Ms B provided any explanation of why she paid £50 if (as on her case) the agreed payment was £40.

Putting things right

I've explained above why I think Barclays offer is fair. The offer was made after the complaint was referred to this service, so I'm asking Barclays to:

Refund interest of £645.03

Extend the promotional 0% interest period to March 2025

Pay compensation of £300

My final decision

My final decision is that I uphold the complaint. Barclays Bank UK PLC must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 15 May 2024.

Emma Davy
Ombudsman