

## The complaint

Mrs Q complains that Barclays Bank UK PLC trading as Barclaycard closed her credit card account in error and failed to issue a replacement credit card after re-opening her account.

Mrs Q has been represented by Mr Q when referring her complaint to this service. For ease I've referred to Mrs Q throughout my decision.

## What happened

I issued a provisional decision setting out what had happened and what I thought about the complaint. I've copied the relevant parts of that decision below – and they form part of this final decision.

*Mrs Q held a Barclaycard account for a number of years. In April 2023, Barclaycard sent her a letter saying it intended to close her account if she was unable to provide a UK address - as it no longer offers accounts to non-UK residents. Mrs Q queried this – as her address is in the UK, and Barclaycard sent its letter to that address. She said she previously held an address abroad – but she hasn't used that address for more than 20 years.*

*Barclaycard accepted that Mrs Q held a UK address – but the account was closed in July 2023. Barclaycard said this was due to an internal error which affected multiple accounts. It arranged for the account to be re-opened the following week. Mrs Q's credit card was cancelled when her account closed, so Barclaycard said it would issue a new card.*

*Mrs Q said she didn't receive the card. Barclaycard made several attempts to send replacement cards – but none of them were received. Barclaycard said it was working to fix the problem and apologised that it had been unable to issue a card. It offered Mrs Q £70 to compensate her for what had happened.*

*Still unhappy, Mrs Q referred the complaint to this service. She was concerned that Barclaycard may have discriminated against her because of her gender. This is because her husband received the same request to update his address – but he didn't face any of the problems she'd experienced since doing so.*

*One of our Investigators asked Barclaycard what was causing its cards not to be received. Barclaycard said the cards were being produced successfully and it couldn't say why they weren't being delivered. It suggested that there may have been a problem with delivery of the cards – which it wasn't responsible for.*

*Our Investigator considered Mrs Q's complaint. They proposed that Barclaycard take additional steps to ensure the replacement card was delivered and recommended that Barclaycard pay compensation of £250. Both parties accepted the Investigator's findings. Unfortunately, the card still wasn't received after further attempts to send it.*

*To resolve the matter, Barclaycard agreed to send a replacement card via courier. When this wasn't successful, Barclaycard agreed to investigate further. In July 2024, Barclaycard was able to resolve the issue, and the card was successfully delivered to Mrs Q.*

*Although the problem itself was resolved, Mrs Q remained unhappy with how long the process had taken. She said she'd spent a lot of time pursuing the matter and was without the use of her credit card account for more than a year through no fault of her own. She asked for her complaint to be referred to an Ombudsman for a decision. So, the complaint has been passed to me to decide.*

### **What I've provisionally 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.*

*It's not in dispute that an internal error caused Mrs Q's account to be closed and prevented replacement cards from being issued. I'm glad to see that Mrs Q has now received her new card. I've considered whether Barclaycard has done enough to put things right for Mrs Q, taking all the circumstances into account.*

*Mrs Q recalls telling Barclaycard that her alternative address was no longer in use around 20 years ago. So, she doesn't think it was necessary for Barclaycard to write to her about her address to begin with. Barclaycard holds no record of Mrs Q asking for the address to be removed from her account. I don't find this particularly unusual – as Mrs Q hasn't used the address in question for many years. Based on what evidence is available, I can't say it's more likely than not that Mrs Q updated her address details before Barclaycard wrote to her.*

*In any case, Mrs Q responded to Barclaycard's correspondence and confirmed her details - so her account should not have been closed. Closing Mrs Q's account caused her unnecessary inconvenience and frustration, but I'm glad to see that Barclaycard took steps to re-open the account relatively quickly.*

*Mrs Q's account was re-opened in July 2023 – but her replacement card wasn't received for a full year after that date. I'm not satisfied Barclaycard took reasonable steps to resolve the matter for Mrs Q during this time. Mrs Q contacted Barclaycard frequently to inform it that her cards had not arrived. Initially, Barclaycard said it was going to investigate what was causing this. But in its later correspondence it said it had done all it could – and that there may instead be a problem with the post being delivered to Mrs Q.*

*A total of nine replacement cards were produced before the issue was resolved. Given the number of cards Barclaycard produced without success, it ought reasonably to have been aware much sooner that there was a problem – and that simply reissuing the card wouldn't resolve the matter. Barclaycard could also have considered other solutions – such as arranging for a card to be collected from a branch – but didn't do so. I note that when Barclaycard agreed to investigate the matter further, it was able to resolve the issue and deliver the card in a matter of weeks. I've seen nothing to persuade me that Barclaycard couldn't have done this when Mrs Q first reported the issue.*

*Mrs Q is concerned that Barclaycard's actions may go beyond poor service – and that it's discriminated against her on the basis of her gender. She's queried whether this is an issue that only affects female customers. She says this because her husband was in a similar position to her – but didn't experience the same subsequent problems that she did. I can understand why Mrs Q feels this way – as her experience has been different to her husband's. While I do think Barclaycard let Mrs Q down here, I haven't seen anything to suggest it did so because of her gender.*

*Taking the above into account, I intend to require Barclaycard to pay further compensation to Mrs Q. The problem stemmed from Barclaycard's initial error in closing the account – and*

*Barclaycard had a number of opportunities to resolve things much earlier than it did. Because of its errors, Mrs Q was without the use of her credit card for more than a year - and had to contact Barclaycard on several occasions to try to resolve things. I'm satisfied this caused her significant inconvenience and frustration – which could have been avoided. So, I intend to require Barclaycard to pay a total of £500 to compensate Mrs Q for its errors. As it's already paid £250, Barclaycard would need to make a further payment of £250.*

## **Responses to my provisional decision**

Barclaycard accepted my provisional decision and had nothing further to add. Mrs Q provided the following comments in response to the decision:

- She's happy the issue itself has been resolved now that she's received a card.
- She believes the core of the problem was a software change implemented just before the card was due to be issued. This was mentioned by Barclaycard in its response to her complaint.
- There was no communication within Barclaycard – which meant the issue was not resolved. The complaints team believed the cards would reach her because it wasn't aware of the issue.
- The problem was only resolved when she suggested that Barclaycard monitor the process to verify that the cards weren't being dispatched.
- Barclaycard threatened to close all her accounts if proof of her address wasn't provided by December 2023. This threat wasn't withdrawn, so she couldn't be sure that her other accounts wouldn't be closed as well.

## **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'd like to thank Mrs Q for her additional comments, and for the further context she's provided about the issue that prevented the cards from reaching her. It's no longer in dispute that an issue on Barclaycard's end prevented the card from reaching her – and as explained in my provisional decision, I'm satisfied Barclaycard ought to have done more to resolve the issue sooner than it did.

As the issue has now been resolved – what remains for me to decide is how Barclaycard ought to put things right for Mrs Q. For the reasons I've explained, I'm satisfied a total compensation payment of £500 would be a fair reflection of the distress and inconvenience Barclaycard caused to Mrs Q.

Mrs Q says Barclaycard threatened to close her other accounts. I can understand why this would have been worrying for her – and this is something I took into account in reaching my decision. While Barclaycard closed Mrs Q's credit card account in error, it rectified this and reassured Mrs Q that the information she provided was sufficient. While it didn't explicitly tell Mrs Q that her other accounts weren't at risk of being closed, I think it was reasonably clear that her address was no longer an issue. Thankfully, Barclaycard didn't close any of Mrs Q's other accounts. So while I acknowledge Mrs Q's concerns about this, it doesn't affect my overall conclusions about her complaint.

Neither party has objected to the resolution proposed in my provisional decision – and I see no reason to depart from it. So my decision remains the same, and I require Barclaycard to pay Mrs Q a further £250 – bringing the total compensation for this complaint to £500.

**My final decision**

My final decision is that I uphold this complaint. I require Barclays Bank UK PLC to pay Mrs Q an additional £250 – bringing the total compensation paid under this complaint to £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Q to accept or reject my decision before 14 October 2024.

Stephen Billings  
**Ombudsman**