

The complaint

Mr R complains that Barclays Bank UK PLC, trading as Barclaycard, gave him inaccurate information when they told him interest wouldn't be charged on his closed account.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

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 know it will disappoint Mr R, but I'm not upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

On 8 July 2023 when the account was closed by Mr R, he was communicating with Barclaycard via their app and via text. Mr R has provided a text in which he was told the balance on the account was about £2,144 and that:

"Yes you are right we will not charge interest once the account is closed [...]"

The agent subsequently confirmed that the account was closed.

On the same day Barclaycard's chat records show Mr R was consulting them about closing his account. An entry confirms he was told:

"You can request for your Barclaycard to be closed, even if there are pending transactions or an outstanding balance. Your interest rates usually moves in line with the Bank of England Base Rate. Changes to the Base Rate (up or down) won't affect you if you close your account. You will continue to receive statements, and just need to continue to pay your balance down at your current interest rate, until it's cleared."

That chat record accurately clarified what the terms and conditions of Mr R's account said about how interest charges were to be applied after an account closure. They said:

"You'll need to make all payments that are due on your account. We'll fix the interest rates so they don't change as a result of the Base Rate changes."

While Barclaycard also provided correct information, Mr R was given some misleading information that suggested he wouldn't have to pay interest once the account was closed. In the chat records it also seems that Mr R was told there was a credit balance on his account, when it was actually an outstanding balance. I'd expect Barclaycard to pay some compensation in respect of that misleading information. I can see that they refunded interest of £53.43 previously and the chat records suggest they also offered £25 in respect of the distress and inconvenience caused, all things considered, I think that was reasonable. I've not seen those payments in Mr R's account as it seems they will have been paid to his current account. If Mr R hasn't received the payments that were promised he may wish to contact Barclaycard.

I don't think it would be fair to ask Barclaycard to take any further action. I say that because. It would have been clear to Mr R from his account statements that there was an outstanding balance on his account, and I think even though the information given to him about interest was unclear, it's unlikely he would have closed the account thinking the interest due on that balance would be waived.

Barclaycard have reported adverse information to Mr R's credit file. They have an obligation to report activity on the account correctly and as it's not disputed that payments have been missed, I can't say Barclaycard have been unreasonable to report that adverse information.

I'm not asking Barclaycard to take any further action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 February 2025.

Phillip McMahon
Ombudsman