

The complaint

Mr P complains that Barclays Bank UK PLC trading as Barclaycard unfairly registered a default against his credit card account and transferred the account to a debt collection agency.

What happened

Mr P had a credit card account with Barclaycard. He made a payment in June 2021, but didn't make the minimum payment due the following month. Barclaycard wrote to Mr P in August 2021 asking him to make the required payment to bring the account up to date. The payment wasn't made, and the following two payments were missed. Barclaycard sent Mr P further letters in September and October 2021 asking him to pay.

In November 2021, Barclaycard sent a default notice to Mr P. It said he needed to pay the arrears of £62.74 before 27 December 2021 – otherwise it would register a default and close his account. Because the payment wasn't received the account was closed, and Barclaycard wrote to Mr P asking him to pay the full balance. It later transferred the account to a collection agency.

In January 2022 Mr P contacted Barclaycard. He explained that he'd lost his phone and his credit card, so didn't have access to his account details. He said he tried to log in to Barclaycard's banking app on his new phone but couldn't do so without his card details. He also said he'd tried phoning Barclaycard, but without his card details he couldn't speak to anyone.

Mr P explained that he lives with a number of health conditions which affect his ability to do day to day tasks. He said this affected his ability to make payments or contact Barclaycard. He said he didn't understand what Barclaycard meant in its letters when it said it would register a default. He assumed Barclaycard would have contacted him if he needed to make a payment or do anything else.

Mr P later made a complaint. He said it wasn't fair for Barclaycard to register a default or transfer his account to a collection agency, and that because of his circumstances it should have given him more time to pay. He felt that Barclaycard hadn't made reasonable adjustments, as it's required to under the Equality Act 2010.

Barclaycard didn't agree it had done anything wrong in the way it had dealt with Mr P's account. It said it had written to Mr P to ask him to get in contact and had also tried to phone him. It didn't agree there was anything more it could have done to help Mr P or avoid the default. But it said it should have registered a complaint for Mr P when he first contacted it in January 2021 and offered £100 to apologise that it hadn't.

The complaint was referred to this service. One of our Investigators considered the complaint, but didn't uphold it. They thought Barclaycard had done everything it reasonably could have done to ask Mr P to pay, and that it adhered to the correct process by registering a default when he didn't. Mr P didn't agree, and asked for the complaint to be referred to an Ombudsman for a decision. So, it's been assigned to me to decide.

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 appreciate it would have come as a disappointment to Mr P when Barclaycard registered a default and transferred his account to a collection agency. He thought Barclaycard would contact him to ask for a payment if he needed to make one, and he expected Barclaycard to give him more time to respond to correspondence because of his circumstances. I've considered whether Barclaycard made a mistake or treated Mr P unfairly when dealing with his account. I've considered Mr P's circumstances when deciding this.

Mr P has complained that Barclaycard failed to make reasonable adjustments. In particular, he says it should have given him more time to make the payment and should have phoned him to make sure he understood what he needed to do. He also says Barclaycard failed its duty to make reasonable adjustments under the Equality Act 2010. I've taken the Equality Act 2010 into consideration when deciding this complaint – as it's a relevant law – but I've ultimately decided the complaint based on what's fair and reasonable.

Like all lenders, Barclaycard is required to record true and accurate information about how its customers manage their accounts. Barclaycard was also entitled to transfer or sell Mr P's account. In most circumstances, I'd expect a lender to register a default when an account is between three and six months in arrears. When Barclaycard registered a default to Mr P's account, he hadn't made any payments for around four months and arrears had accrued since then.

Mr P says he wasn't able to make any payments, as he didn't have his card details so couldn't log on to Barclaycard's app or call it to make a payment over the phone. I appreciate losing his card and phone would have made it more difficult for Mr P to make payments. But I've seen that the letters Barclaycard sent to Mr P included his card details and explained the different payment methods available to him. The evidence shows that Barclaycard did what was reasonable to ensure that Mr P could make the required payment before the default was registered.

I've reviewed Barclaycard's contact notes. I've seen that in January 2020 Mr P told Barclaycard that he was vulnerable and that he lived with a health condition, and that things needed to be explained clearly for him. I've also seen that he told Barclaycard that he preferred not to be contacted by phone. I haven't seen anything to suggest that Mr P told Barclaycard he needed more time to make payments or that he needed to be phoned.

So, while I can understand why Mr P believes Barclaycard should have given him more time to pay or called him, the evidence I've seen doesn't suggest it needed to do this. Based on what it knew of Mr P's circumstances at the time, Barclaycard made reasonable attempts to contact Mr P before it registered the default. Because Mr P didn't make the required payment before the deadline explained in Barclaycard's default notice, I'm satisfied the default was applied fairly. For the same reasons, I'm also satisfied Barclaycard didn't deal with Mr P unfairly in transferring the account to a collection agency.

I appreciate this will come as a disappointment to Mr P, but for the reasons I've explained I'm satisfied Barclaycard hasn't made a mistake or treated him unfairly. So, I won't be asking it to remove the default or do anything different to resolve the complaint. Barclaycard has already made an offer to pay Mr P £100 to resolve the complaint. Mr P should contact Barclaycard directly if he now wants to accept this.

My final decision

My final decision is that I don't uphold Mr P's complaint. I don't require Barclays Bank UK PLC trading as Barclaycard to do anything different to resolve the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 24 July 2025.

Stephen Billings
Ombudsman