

## **The complaint**

Miss A complains that Barclays Bank UK PLC trading as Barclaycard unfairly charged interest on her credit card account

## **What happened**

Miss A has a Barclaycard credit card account. In November 2021, Barclaycard agreed a 12 month reduced repayment plan. During this time, Barclaycard didn't apply any interest to Miss A's account.

In late 2024, Miss A was unhappy to find that despite keeping up with her minimum repayments, she had not reduced the principal outstanding balance as the repayments only covered the interest charges. She asked Barclaycard to write off the outstanding balance in light of her financial difficulties and mental health struggles.

Barclaycard didn't agree that it had made a mistake. It said that it wrote to Miss A in October 2022 to tell her that her repayment plan was due to end on 1 December 2022, meaning that it would start to apply interest to her account. In the same letter, Barclaycard enclosed an income and expenditure form which Miss A could complete if she were worried about making payments. As part of its final response, Barclaycard asked Miss A to complete an income and expenditure form so that it could better understand her financial situation.

Our investigator didn't uphold Miss A's complaint. In summary she was satisfied that Barclaycard wrote to Miss A in October 2022 before her repayment plan ended. Our investigator noted that Barclaycard didn't have any record of Miss A informing it she had changed her address. So, our investigator didn't think it was unfair for Barclaycard to send letters to the address it held on file.

Our investigator couldn't see that Miss A had contacted Barclaycard between December 2022 and October 2024 to make it aware that she was still experiencing financial difficulties. So, she thought it fair that Barclaycard reapplied interest in line with the terms of Miss A's account.

Miss A disagrees with the investigation outcome. She doesn't think Barclaycard has treated her fairly. Miss A says she only recently secured a permanent place to live and had previously moved around.

## **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 realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern us, together with the informal nature of our service, allow me to take this approach. But this doesn't mean I have not read and considered everything the parties have supplied.

I am sorry to hear about the personal and financial difficulties which Miss A has been facing over the past years. My intention is not to add to these, but when considering her complaint, I need to decide whether Barclaycard has done anything wrong or treated her unfairly. Having done this, I don't consider Barclaycard made a mistake in the way it has dealt with Miss A, so I am not asking it to take further action in response to her complaint.

Like our investigator, I am satisfied that Barclaycard responded fairly to Miss A's financial difficulties when, in late 2021, it agreed to accept reduced payments and suspend interest charges for 12 months.

The evidence supplied by Barclaycard shows that it wrote to Miss A in October 2022 to remind her that the payment plan was due to end on 1 December 2022. It also gave Miss A the chance to supply details of her income and expenditure if she was still struggling financially. I understand that Miss A no longer lived at the address Barclaycard used to send this letter, but I can't find this was due to a mistake by Barclaycard. The first record Barclaycard has of Miss A informing it that she had changed her address was in October 2024. And Miss A hasn't suggested that she contacted Barclaycard before this date. As Barclaycard didn't hear from Miss A, I don't think it was unreasonable for it to start reapplying interest charges in line with the terms of her account.

I appreciate that due to Miss A's personal circumstances, she had moved around for some time, making it difficult to give Barclaycard a permanent address for correspondence. But I also think it was reasonable to have expected Miss A to follow up with Barclaycard before 2024 as the 12 month repayment plan had been agreed back in 2021.

As I don't find that Barclaycard made a mistake when it reapplied interest charges after the repayment plan ended in December 2022, I don't require it to write off the outstanding balance or refund any interest paid.

Once Miss A made Barclaycard aware of her financial situation later in 2024, it moved her account to the specialist support team and asked her to supply details of her income and expenditure. I think that this was a fair response to Miss A's financial difficulties.

As our investigator has said, if Miss A hasn't yet done so, I recommend that she contact Barclaycard to discuss her financial situation further and/or speak with a debt advice charity who may be able to liaise with Barclaycard on her behalf.

I remind Barclaycard of its' obligation to treat Miss A fairly if she supplies details of her personal and financial situation as requested. And if, having given these details to Barclaycard, Miss A is unhappy with its' response, I don't see why she would not be able to complain again.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 12 May 2025.

Gemma Bowen  
**Ombudsman**