

## **The complaint**

Mr M complains that Barclays Bank UK PLC trading as Barclaycard unfairly allowed a transaction to debit his account after it had been closed.

## **What happened**

Mr M had a credit card account with Barclaycard which was closed in 2024. Mr M had already authorised a £1,000 transaction in June 2024 but the merchant didn't collect payment until after his credit card account was closed. Mr M was unhappy to find that he owed money on his account.

Our investigator didn't uphold Mr M's complaint. She explained that an authorised transaction can remain outstanding for up to six years until a merchant collects payment. So, the account closure would not necessarily prevent the transaction from going through.

Mr M is unhappy with the investigation outcome. He refers to an earlier complaint he made to our service against Barclaycard. Mr M says that our investigator has not considered the fact that when he authorised the transaction in June 2024, his credit limit was £1,200. Barclaycard then lowered his limit to £500 in July 2024, yet still allowed the transaction for £1,000 to be processed.

Mr M says that if Barclaycard will reinstate his credit card account with the original £1,200 limit and cancel any charges, he will restart monthly payments.

Our investigator has explained that our service had already considered Mr M's complaint about the reduction of his credit limit so she could not reconsider his complaint points. Our investigator remains of the view that Barclaycard didn't make a mistake when it processed the £1,000 transaction on Mr M's account.

## **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 that Mr M is unhappy that his complaints against Barclaycard have been considered separately as he considers them to be part of the same issue. But as our investigator has already said, I can't reconsider any complaint aspects which have been the subject of a final decision by our service. So, my consideration of Mr M's complaint is limited to whether Barclaycard made a mistake when it processed the £1,000 transaction after his account had been closed.

I can understand that Mr M was unhappy to find that a transaction had been charged to his account after it had been closed. As our investigator has explained, a merchant has up to six years to claim payment for a transaction which has previously been authorised. In Mr M's case, he authorised the payment to the merchant in June 2024. So, even though he had since closed his credit card account, the merchant was still able to claim payment.

I have seen the email which Mr M sent to Barclaycard in late November 2024. He explains that there was a problem at the merchant's end which meant that it would take payment either before or after he had used its' service. I think this means that Mr M should have been aware that payment would be taken at some point.

I accept that between authorising the payment and processing it, Barclaycard had reduced Mr M's credit limit from £1,200 to £500. The ombudsman in Mr M's other complaint against Barclaycard already addressed this point in their final decision, so I don't say more about this. But for the reasons outlined above, I don't think that it was wrong for Barclaycard to allow the payment to go ahead after it had been previously been authorised. It would have been for Mr M to make alternative arrangements with the merchant. As Barclaycard didn't make a mistake when it allowed the payment to go through, I can't fairly require it to refund any charges or reinstate his credit limit.

I am satisfied that Barclaycard has responded reasonably to Mr M's concerns. Going forward, I understand that Mr M doesn't want to interact with Barclaycard. It has suggested that he contact the merchant to arrange an alternative way to pay so that the merchant can reverse the transaction. This seems a fair suggestion to make.

### **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 Mr M to accept or reject my decision before 23 May 2025.

Gemma Bowen  
**Ombudsman**