

## **The complaint**

Mrs B complains that Barclays Bank UK plc trading as Barclaycard ('Barclaycard') unfairly defaulted her account when she'd made efforts to enter a payment arrangement.

Mrs B wants the default to be removed from her credit file.

## **What happened**

Mrs B complained to Barclaycard that they'd defaulted her account when she'd contacted them to agree a payment arrangement. She said she'd been waiting to hear back from Barclaycard about the arrangement, which she'd had to chase several times.

Barclaycard accepted Mrs B should have received a call back about her payment arrangement, and they offered Mrs B £50 for her distress and inconvenience. However they didn't accept the default was incorrectly applied to her account, or that this should be removed from her credit file.

Unhappy, Mrs B referred her complaint to the Financial Ombudsman Service. Barclaycard reviewed how they'd handled Mrs B's complaint and made an improved offer of settlement to Mrs B of £200. Mrs B refused this, saying the default was unfair and should be removed.

Our investigator considered Mrs B's complaint. He concluded that £200 was fair for the failure to call Mrs B back about her payment arrangement. He didn't think Barclaycard needed to do more than pay this, given Mrs B hadn't been able to satisfy the terms of the default notice.

Mrs B strongly disagreed, saying that she'd been invited to agree an arrangement to avoid a default, which was what she'd done. She highlighted that she'd had to continually chase whether the arrangement was in place and was told to await a call back which never came. Mrs B thought it very unfair that she should be penalised for this.

The matter came 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've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Having considered the evidence and submission of both parties, I have decided that Barclaycard's offer of £200 is a fair outcome to Mrs B's complaint and that this should now be paid to Mrs B. My reasons are broadly similar to our investigator's, and I've set these out in detail below.

It's not in doubt that Mrs B contacted Barclaycard with the intention of making a payment arrangement. Mrs B had been receiving letters about persistent debt and had missed some of her minimum payments. I've seen evidence that Mrs B contacted Barclaycard on 8 November 2024, 13 November 2024, 14 November 2024 and 16 January 2025.

Mrs B said her default notice set out she could avoid a default if she paid her arrears or contacted Barclaycard to agree an arrangement before the deadline. Her position is she discussed an arrangement to pay around £35 a month – but she was waiting for this to be confirmed to her as it didn't look to be enough to clear her debt.

I've thought carefully about this and I agree with our investigator that the terms of the default notice were not met. The default notice dated 13 November 2024 said *"if you're unable to make this payment you must call us immediately and enter an arrangement to clear your arrears."*

Mrs B and Barclaycard both say that Barclaycard were to call Mrs B back to confirm the arrangement, so I don't think I can reasonably conclude that an arrangement had been "entered" before the deadline in the default notice.

I am aware that Mrs B spoke with Barclaycard on 13 November and 14 November 2024, before she'd seen her default notice, but the payment arrangement was not confirmed during these calls. I'm mindful that when Mrs B spoke with Barclaycard on 13 November 2024, she declined to discuss her income and expenditure again in order for the plan to be set up at that time.

The next call between the parties was on 16 January 2024, after Mrs B's account had been defaulted and the credit reference agencies had been updated.

In the circumstances, given an arrangement wasn't "entered," and Mrs B hadn't paid the amount required by the deadline stated in her default notice, I don't think it was unfair for Mrs B's account to be defaulted when it was.

I acknowledge Mrs B says she couldn't have paid the full amount required in one go, and it's unfair to put the onus on her to chase Barclaycard about the payment arrangement. I've considered this.

I think I would be more inclined to question the fairness of the default if Mrs B had paid £35 a month in the belief she'd entered an arrangement. Or if she'd not been able to get Barclaycard's confirmation of the arrangement before the default notice deadline, and Mrs B had been paying the £35 she'd discussed with Barclaycard initially. I don't think either of these scenarios apply here, mainly because Mrs B's last payment was 10 July 2024.

I am sorry to disappoint Mrs B but I agree with our investigator that it was ultimately her responsibility to satisfy the default notice by either clearing the arrears or ensuring she'd entered an arrangement with Barclaycard. So, I'm not going to ask Barclaycard to remove the default which I think was correctly and fairly applied here.

Barclaycard accept they should've called Mrs B back, and that she shouldn't have had to chase them about the payment arrangement. They offered £200 to Mrs B for her distress and inconvenience.

I think that's a fair offer, and in line with what the Financial Ombudsman Service would typically award for this aspect of Mrs B's complaint. Under the guidelines we follow I'm satisfied that £200 reasonably reflects Mrs B's disappointment that Barclaycard didn't call

her back and the time and energy she spent chasing this in November 2024. I think Barclaycard should now pay this sum to Mrs B, to fairly resolve this complaint.

### **Putting things right**

Barclays Bank UK plc trading as Barclaycard should pay £200 to Mrs B for her distress and inconvenience.

### **My final decision**

For the reasons I've outlined my final decision is that Barclays Bank UK place trading as Barclaycard should put things right as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 17 June 2025.

Clare Burgess-Cade  
**Ombudsman**