

The complaint

Mr A complains that Barclays Bank UK PLC trading as Barclaycard, failed to adequately explain the reason for an increased minimum payment on his credit card and that as a result he had to enter into a payment plan that has negatively impacted his credit file.

What happened

In January 2024 Mr A called Barclays as he was unsure why his minimum monthly payment had increased from £230.92 in December 2023 to £455.19 in January 2024. He says the agent he spoke to didn't explain the increase and as he was concerned that would be the minimum payment going forward, he opted to agree a repayment plan that has now adversely impacted his credit file. He says he wouldn't have entered into the payment plan if the agent had explained the reason for the higher monthly payment was mainly because he'd missed a payment and that it wouldn't be that high in future.

Barclays apologised that their agent hadn't adequately explained the reason for the increased payment and they paid Mr A £50 in compensation. But they noted that the agent had explained how much was due and that Mr A's statement provided a breakdown of that figure. They said that the income and expenditure calculation that was completed during the telephone call suggested that Mr A didn't have sufficient funds available to make the minimum payment and they noted that he was warned on the call that the repayment plan could adversely impact his credit file. They didn't think there was reason for them to take any further action and neither did our investigator when Mr A referred his complaint to this service.

Mr A disagreed. He said that Barclays should have explained how the minimum figure was derived and he was upset that even though the investigator agreed that was the case, he hadn't found against Barclays. He asked for a final decision by an ombudsman.

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 A, but I agree with the investigator's view of this complaint and for similar reasons. Please let me 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.

I agree that Barclays could have provided better information about how the minimum payment had been calculated but I don't think it would be fair to suggest that error led Mr A to enter into an unnecessary repayment plan. I say that because:

- It was Mr A who raised the prospect of a repayment plan on the January 2024 call.
- The income and expenditure calculation Barclays completed with Mr A for January 2024 suggested he didn't have sufficient funds to clear the arrears.
- While I understand that Mr A may have thought the minimum repayments would stay at £455.19 I can't see that Barclays told him that would be the case, and as his minimum payments had changed in the past Mr A should reasonably have been aware that they would in the future and that they were aligned with what was due on the account.
- Mr A's bank statements clearly set out how the minimum payment had been calculated and identified the previously missed payment that greatly contributed to the increase.
- The repayment plan of £29 per month that was agreed

My final decision

Your text here

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

Phillip McMahon
Ombudsman