

## The complaint

Mr N is unhappy with how Barclays Bank UK PLC trading as Barclaycard ('Barclays') administered his credit card.

## What happened

Mr N says he did a balance transfer to his credit card towards the end of 2024. He said this was on an offer to remain at 0% interest until May 2026. I'll refer to this as 'balance A'.

Mr N explained he also spent on the card on a monthly basis, then fully repaid the balance from any purchases under the 'standard' interest rate. I'll refer to this as 'balance B'. He said this meant he expected balance A to stay the same. But he said when he checked on the app, balance A had reduced by around £2,100. And he said he had been charged interest when he should not have been.

Mr N complained to Barclays. Barclays issued a final response in March 2025. This said, in summary, that Mr N was charged interest on the account from "*December*". It said the reason for the interest was that he hadn't paid off the balance provided on his statements.

Barclays noted Mr N had been making payments 'before you'd been billed'. It said Mr N should wait to be billed before making payments. Barclays said as a gesture of good will, it had waived one month of interest. But it said it was not upholding the complaint.

Mr N said he didn't receive the response and sent a follow up to the complaint. He noted various issues with customer service provided, including wait times on the phone, issues with a phone call that took place and staff reading scripts. And he said the app was very difficult to understand.

Mr N referred the complaint to our service. He said he believed payments to the account had been used to reduce balance A, rather than balance B. And he gave a specific example from October 2024 where he said this happened.

Barclays explained to our service that Mr N could benefit from interest free purchases, but only if balance B was paid in full every month. It said Mr N hadn't done this, and so he had incurred interest on the account.

Barclays explained in October 2024 Mr N had made two payments to the account and these had been allocated in line with its terms and conditions and as set out in Mr N's statements.

Our investigator then issued a view and didn't uphold the complaint. In summary, he explained Barclays had allocated payments to the account in line with the terms and conditions. He said in October 2024, Mr N had paid a higher amount to the account than balance B, which was why balance A was reduced.

Mr N explained the only reason he would've paid a higher amount is if the app said it was outstanding. .

Mr N asked where Barclays detailed that the “*app balance should be discounted*”. He said he was unhappy other parts of his complaint hadn’t been addressed. And he said if he paid off the “*statement balance*” shown on his app then he would overpay every month.

As Mr N remained unhappy, the complaint has been passed 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.

Having done so, I don’t think this complaint should be upheld. I’ll explain why.

I’d like to explain to both parties that I might not comment on every piece of evidence or point raised. I can reassure Mr N and Barclays that I’ve carefully considered all of the information provided. But, I’m going to focus on what I consider to be the key facts and the crux of the complaint.

I think it’s fair to say Mr N’s main complaint is the allocation of payments to his account. From the terms and conditions:

*“If a payment you make is less than your total outstanding balance as shown on your statement, we’ll use it as follows:*

- *If you have any installment plans on your account, to make any instalment plan payments due for that month*
- *To reduce your main balance (your statement balance less any instalment plan balance). We’ll start with the balances charged at the highest interest rate first and then reduce the lower-rate balances. “*

*“When you make a payment, we will always reduce the balances that appear on your statement before we use your payment to reduce the value of transactions that have not yet appeared on your statement”*

I want to reassure Mr N that I’ve carefully considered everything he said here. But I haven’t seen anything to persuade me Barclays didn’t allocate payments in line with its terms and conditions, nor in a way that is not fair and reasonable.

I’ve thought about what Mr N said about being charged interest on balance B. Barclays explained this was because he didn’t pay balance B off in full every month. From the terms and conditions:

*“If you pay your main balance (excluding any promotional balance with a 0% interest rate) plus any instalment plan payments due for that month in full by your payment due date, the following will apply that month:*

*We won’t charge interest on new transactions that have been added to your account since your last statement.”*

Again, I’ve carefully thought about this. But I’m not persuaded Barclays incorrectly charged Mr N interest.

I’ve thought about what Mr N said about the app showing incorrect information and balances. It’s difficult to be 100% confident on this issue, as I can’t be certain of what Mr N

was shown at all times. But I've reviewed the recent screenshots from the app Mr N provided. And I can't see there is inaccurate information here.

Mr N says if he paid off the 'statement balance' shown he would have overpaid. I appreciate the point, but I believe that is because he already made a payment *after* the statement date shown, *before* a new statement was produced. From what I've seen, the 'current balance' most likely accurately reflects this payment. And presumably, the statement balance updated when a statement was next produced.

Having thought about things, I'm not persuaded it's most likely Barclays showed Mr N incorrect information about his account.

I have considered the customer service issues Mr N complained about. But based on what he said, I haven't seen enough to persuade me Barclays caused him distress and inconvenience to the point where I think any award is due. So, I find it doesn't need to take any further action.

I want to reassure Mr N that I've carefully considered everything else he said. But I do not think this complaint should be upheld.

### **My final decision**

My final decision is that I do not uphold this complaint.

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

John Bower  
**Ombudsman**