

The complaint

Mr Z complains that after cancelling his Avios rewards plan, Barclays Bank UK PLC continued to deduct the monthly fee from his account.

What happened

In October 2024 Mr Z cancelled his Avios rewards plan with Barclays. He received an acknowledgement and confirmation that the monthly fee would no longer be debited from his account. So, he was disturbed to find that the fee continued being debited in November and December 2024.

He contacted Barclays. The agent explained to him that this was a known issue and it was working to provide a fix for it. Barclays refunded Mr Z's payments for November and December 2024.

After reviewing Mr Z's formal complaint Barclays sent an advance payment to Mr Z of £144 to cover 12 months of Avios payments. It also paid £100 for the distress and inconvenience caused. It explained that its technical team was still working on a fix but was still unsure at that stage how long this would take.

I issued a provisional decision. In it I said that I wouldn't require Barclays to take any further action at this stage. This was on the assumption that it will continue to work on resolving the technical issue and will keep Mr Z's account under review.

Mr Z didn't agree. I'll deal with his response in my findings below.

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.

The following were my provisional findings:

“Mr Z cancelled his Avios rewards plan in October 2024. I can understand his disquiet and annoyance when he found that he continued to have the payments debited from his account.

Barclays has told us that it is an issue with the Avios plan which is still being resolved. I understand that there is no workaround. If Mr Z closed his account, which he doesn't want to do anyway, he would lose any points he had previously accrued.

This is a difficult case to resolve. As at the date of this decision, we haven't heard that Barclays has resolved the matter. Whilst I would have hoped that it had managed to resolve the matter by now, I'm not an IT expert, and we have to take account of the fact that it appears to be a difficult issue to resolve. Any decision I make would have to be enforceable, and I take the view that I can't require Barclays to fix the matter within a certain timeframe, if this is just not possible.

So, looking at the matter from Mr Z's point of view, I think that Barclays should pay

compensation for his distress and inconvenience. This would cover the upset at finding that his payments were still being deducted and the delay in refunding those payments. I've considered Mr Z's allegation that the agent he spoke to was rude to him. But having reviewed the transcript of that conversation it appears to me that the agent was just trying to tell Mr Z that his complaint wouldn't be closed until the fix was resolved. Whereas Mr Z wanted to make a complaint against the agent.

I think Barclays resolved the complaint about this matter in February 2025 and I think that bearing in mind our awards in similar cases, the £100 compensation paid was reasonable. Barclays should of course ensure that Mr Z does not lose out and the refund of the fees in advance in my view was the appropriate thing to do. Barclays has also advised that it will review the account and contact Mr Z once the fix has been applied. I calculate that the £144 covers the calendar year of 2025. If the matter is still outstanding by the end of the year, then I would expect Barclays to make further payments in advance without having to be contacted by Mr Z first.

I can't justify increasing the compensation to account for the fact that the issue has not been resolved as yet. I can understand Mr Z's annoyance, but it seems to me that he hasn't lost out financially and I haven't seen that he has been affected by the delay in any other way. If Barclays doesn't fix the issue by the end of the year, then Mr Z will be entitled to raise a further complaint.

So my provisional finding is that I won't require Barclays to take any further action at this stage. This is on the assumption that it will continue to work on resolving the technical issue and will keep Mr Z's account under review."

I understand that Mr Z disagrees with the assessment that he has not suffered additional distress. He says the uncertainty, repeated deductions, and lack of control over his own account have caused ongoing frustration and anxiety. He also refers to having spent hours and hours over the phone in order to try to resolve this issue.

I have reviewed the complaint and the transcripts of the telephone calls again. It appears initially that the Barclays agents Mr Z spoke to thought that the matter would be resolved after he had his November and December payments returned. But the technical issues turned out to be much more problematic to resolve. A formal complaint was logged on 3 January 2025. Barclays' final response letter was dated 27 February, so it did respond to the complaint just within the eight-week timescale allowed.

I note that Mr Z did have some long telephone conversations with Barclays. But I think that Barclays made it clear that there was an issue and that it would resolve the complaints by paying Mr Z £100 compensation and paying 12 months of the payments in a lump sum. So, I don't think that Mr Z needed to repeatedly call to resolve the matter.

As I've set out in my provisional findings, I think that the payments I've referred to resolved the complaint. I can't award compensation for something that may or may not happen in the future. Though I must make it clear that I would expect Barclays to be proactive about the matter and advise Mr Z as soon as its technical department has fixed the issue. That's not to say that Mr Z wouldn't have a right to make a further complaint at that stage.

So, I remain persuaded that the payment of compensation for distress and inconvenience and the advance payment of the fees deducted was a reasonable way of settling the complaint. My provisional findings are therefore final and form part of this final decision.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 7 October 2025.

Ray Lawley
Ombudsman