

The complaint

Mrs M complains about the way in which Barclays Bank UK PLC trading as Barclaycard handled her account. She's also unhappy about the difficulties she experienced when trying to agree a payment plan.

What happened

Mrs M holds a credit card account with Barclays.

In January 2024 the account fell into arrears as a result of a returned direct debit. Mrs M brought the account back up to date and payments were made on time for several months.

No payments were made to the account in August, September and October 2024. Barclays sent letters to Mrs M advising her that she'd missed payments and that the account was in arrears. The account was placed on hold in October 2024.

On 8 November 2024 Mrs M contacted Barclays and asked about breathing space. Barclays asked Mrs M to complete an income and expenditure form, but this wasn't received, and the account remained in arrears.

On 20 November 2024 Barclays issued a Notice of Default requiring Mrs M to pay the arrears of £411.94 by 21 December 2024 to prevent the account from defaulting.

Mrs M didn't make a payment to clear the arrears. She contacted Barclays on 23 December 2024. During the call an advisor incorrectly advised Mrs M that if she made a payment by 27 December 2024 this would stop the account from defaulting. Mrs M paid £505 on 27 December 2024. Barclays subsequently defaulted the account.

Mrs M contacted Barclays on 18 January 2025 and said she wanted to pay £2000 and for the default to be removed. She complained about the default but her complaint wasn't logged.

Mrs M brought her complaint to this service.

Following the referral of the complaint to this service, Barclays offered Mrs M £750 compensation to address the incorrect advice she'd received during the call dated 23 December 2024, after she'd missed the deadline for making a payment and stopping the default from being registered. Barclays said the default would continue to be reported to the credit reference agencies.

Mrs M said she would accept the offer of compensation, but she still wanted the default removed.

Our investigator didn't uphold the complaint. They said that although Barclays had given Mrs M incorrect advice that a payment by 27 December 2024 would stop the account defaulting, the incorrect advice didn't cause the default to be recorded because the deadline for payment to prevent the default had already passed when Mrs M called Barclays. The investigator said the default was applied correctly.

Mrs M didn't agree. She said she'd done her best to agree a payment plan with Barclays and had been led to believe that the default wouldn't be registered. Mrs M said that Barclays had given her incorrect advice which meant she lost the chance to prevent the default. Mrs M said she was now rejecting the offer of £750 because she didn't feel that it reflected the extent of the impact of the incorrect advice.

Because Mrs M didn't agree I've been asked to review the complaint.

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 Mrs M, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a particular 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.

It's not in dispute that Barclays gave Mrs M incorrect advice when she called and spoke to an agent on 23 December 2024. The agent told Mrs M that if she paid the arrears on the account by 27 December 2024 the account wouldn't be defaulted.

It's also not in dispute that Mrs M made a payment of £505 on 27 December 2024.

I've reviewed the Notice of Default. This was issued on 20 November 2024 and required Mrs M to clear the arrears on the account by 21 December 2024 to prevent the account from defaulting.

I've reviewed the statement of the account and I can't see that Mrs M cleared the arrears before 21 December 2024. Therefore, the timeframe to pay the arrears had expired and the account had already defaulted by the time Mrs M contacted Barclays on 23 December 2024.

I've reviewed the Notice of Default, and I can see that it was correctly addressed to Mrs M at her registered address. I'm satisfied that Mrs M was aware – or ought to have been aware – that she needed to make a payment to clear the arrears by 21 December 2024 to avoid the account being defaulted.

So, although Mrs M was given incorrect advice when she called Barclays on 23 December 2024, this incorrect advice made no difference to the status of the account, because the account had already been defaulted.

Mrs M has told this service that she's aware that the default was applied in line with the bank's policy. She's said that the default was only applied because she was misled. Based on what I've seen, I can't agree with Mrs M that the default was applied as a result of the incorrect advice she was given. It's clear that the account had been defaulted prior to the conversation on 23 December 2024 taking place.

I do understand that the default has impacted on Mrs M's ability to obtain a fiancé elsewhere and has caused her significant inconvenience and distress. This service is only able to ask a business to amend a credit file if there's clear evidence of an error. In this case, I haven't seen anything to suggest that Barclays made an error in the issue of the Notice of Default and the subsequent registration of the default with the credit reference agencies. Therefore, I'm unable to ask Barclays to remove the default.

In relation to compensation for the incorrect advice Mrs M was given, as well as the failure to log her initial complaint about the default, I'm satisfied that Barclays offer of £750 is fair and reasonable. I won't be asking the bank to increase the offer. I'm aware that Mrs M has rejected the offer. Its up to her whether she now chooses to accept it, I would expect Barclays to honour the offer if Mrs M chooses to accept it now.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 13 April 2026.

Emma Davy
Ombudsman