

The complaint

Mr T complains that Barclays Bank UK PLC trading as “Tesco Bank” has continued enforcement action on his credit card account, despite him pausing payments whilst raising concerns.

What happened

Besides setting out Mr T’s complaint, I won’t repeat all the facts of the case here, as those aren’t in dispute. Instead, I’ll focus on the reasons for my decision. I mean no discourtesy by this and can assure the parties I’ve considered everything on file – it’s merely to reflect the informal nature of our service.

I’ve summarised Mr T’s complaint below:

- He’s written to Tesco Bank on several occasions, requesting answers to specific questions, which he hasn’t received.
- Tesco Bank has registered a default and utilised Debt Collection Agencies, despite the issue being unresolved.
- Tesco Bank should have treated his communication with it as a complaint sooner than it did and subsequently provided referral rights to the Financial Ombudsman Service.
- The Ombudsman should take into account Financial Conduct Authority (“FCA”) principles of fair treatment and proportionality, rather than assessing the matter solely by reference to contractual entitlement.

Because the parties couldn’t agree, the matter 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’m not upholding Mr T’s complaint – and I’ll explain why.

Mr T makes several points in his letters to Tesco Bank which appear to be based on legal technicalities or some interpretation of certain Acts and laws. I don’t think he’s asking our service to make a finding on those points but for the avoidance of doubt, I want to make it clear that I won’t be doing so. We’re here to provide an informal dispute resolution service, and while I’ll take relevant law, best industry practice, regulation and rules into account; it isn’t my role, nor that of our service, to resolve legal queries of that nature.

Like our Investigator, I can see Tesco Bank provided documentation to Mr T including but not limited to, his credit agreement and the terms of his account. It doesn’t appear to have answered the specific questions he raised which appear to be legal in nature. Despite this, I’m satisfied it was fair and reasonable for Tesco Bank to continue recovering the debt.

I say this because there's no obligation on Tesco Bank to pause recovery of the debt whilst Mr T makes enquiries about his account. He says he didn't refuse to pay the account but had paused payments while he sought clarification on matters he reasonably believed were relevant to his understanding of whether the agreement was being administered in accordance with its own terms. As I've explained, I won't comment on the legal points Mr T asked Tesco Bank to comment on. But ultimately, Mr T hadn't made payment on his account and so I don't find it unreasonable that Tesco Bank continued recovery of the debt.

Mr T has repeatedly said he isn't disputing the debt, but in fact, that's one of the grounds on which recovery of a debt could be paused. And although he says he isn't disputing the debt, he doesn't make payment whilst his enquiries are ongoing and, in my view, his letters to Tesco Bank at the very least, imply he's disputing the debt, whilst in other parts, explicitly say he isn't doing so.

But even if I were to say Mr T was disputing the debt, I'd be considering whether Tesco Bank has acted fairly under CONC 7.14.1R, which sets out that debt recovery must be suspended where the customer disputes the debt on valid grounds – or what may be valid grounds. And here, even if I accept Mr T was disputing the debt owed on valid grounds, (which I'm not necessarily persuaded he was), I'm satisfied that Tesco Bank met its obligations in relation to CONC 7.14. By satisfying itself that the debt was correct and clearly communicating its reasons for that to Mr T. Which is what's required of it, if the debt is being disputed.

Also relevant, CONC 7.5.3 also says: *"A firm must not ignore or disregard a customer's claim that a debt has been settled or is disputed and must not continue to make demands for payment without providing clear justification and/or evidence as to why the customer's claim is not valid."* But for the reasons explained above, I'm satisfied Tesco Bank provided clear reasons to Mr T, explaining why he was obliged to continue making payments towards his debt.

So, I'm satisfied, whether Mr T was disputing the debt or not, that it was reasonable for Tesco Bank to continue recovering the debt in the way that it did.

There is also no obligation on Tesco Bank to stop recovering the debt, simply because there's an ongoing complaint. So, I don't think it acted unreasonably here either.

Payment hadn't been made since April 2024 on the account. As repayments weren't made in line with the terms and conditions of the account, Mr T's account was defaulted and recorded with the Credit Reference Agencies and management of the debt passed to Debt Collection Agencies. Given what I've said above, I don't think Tesco Bank acted unreasonably or unfairly here either. It was entitled to collect an outstanding debt, owed to it.

Mr T's issue with how Tesco Bank handled his complaint, in that it should have treated his concerns as a complaint sooner, fall outside the remit of our service. That's because a complaint about complaint handling isn't an activity which falls under the scope of our jurisdiction.

Finally, Mr T has raised concerns about the fairness of how he's been treated by Tesco Bank, under FCA principles. But for the reasons explained, I don't think Tesco Bank has treated Mr T unfairly. It responded to each of his letters, setting out its position clearly and although Mr T disagreed with what it said, Tesco Bank was entitled to continue collecting the debt.

Therefore, for the reasons explained, I'm not upholding this complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 19 March 2026.

Sophie Kyprianou
Ombudsman