

## **complaint**

Miss G complains that Barclays Bank UK PLC ("Barclays") is pursuing her for repayment of a debt that she thinks is satisfied.

## **background**

Miss G has a bank account with Barclays. During 2015, she began to use her overdraft and go over the overdraft limit regularly. Barclays wrote to Miss G in September 2015 saying it was terminating her banking facilities and in January 2016 transferred her account to its collections department. The debt was passed to a third party debt recovery agent in 2016.

Barclays' records show Miss G phoned the bank about this in January and February 2016. The notes from the first call say Miss G explained she was unemployed and discussed a payment plan. A plan wasn't finalised although Miss G said she would make cash payments. The notes from the next phone call say Miss G phoned to check how and when to make a payment. Miss G didn't make a payment that month and hasn't made any since.

In December 2017, Barclays wrote to Miss G saying an internal review had found her account could've been handled better, and she would be refunded some fees and charges.

Miss G contacted Barclays in May 2018, complaining that this refund hadn't been paid directly to her and that she shouldn't have to repay anything because Barclays wrote to her in January 2016 saying her debt was satisfied – and the bank had told her the same thing on a phone call. Miss G has shared a copy of the letter with our service and says she was given it in the branch. Miss G also asked Barclays to remove the debt from her credit file. She's told us that her difficulties with Barclays have caused her distress and she's been diagnosed with stress.

Barclays didn't uphold Miss G's complaint because it said it was right to apply the refund to her remaining debt, and it had no record of the letter she'd referred to – and that the letter would've been incorrect even if it had sent it. Barclays said Miss G was still expected to repay the debt and her credit file reporting wouldn't be changed because it was accurate.

Miss G wasn't satisfied with this response and brought her complaint to our service. An adjudicator considered Miss G's complaint but didn't uphold it because they thought Miss G knew that she hadn't repaid the debt, so Barclays was entitled to ask her to repay it. Miss G disagreed with this view because she says Barclays had told her she didn't need to repay it. She asked for an ombudsman decision so her complaint was referred to me.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconsistent or contradictory, I have made my decision based on the balance of probabilities - that is, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I can see Barclays contacted Miss G several times in 2015 to explain that her account was being transferred to its collections department. Barclays' letters clearly explain what would happen if Miss G didn't do anything. From this, I'm satisfied that Barclays took reasonable steps at that time to explain to Miss G what was happening, that she was expected to repay her debt and that her credit file would be affected if she didn't do anything.

So then I've considered whether it's fair for Barclays to continue to seek repayment from Miss G in light of the letter she's sent this service, apparently from Barclays, saying that her debt has been satisfied. Barclays has no record of sending a letter like this. It's shared details of unsuccessful efforts to trace the letter – although one system can't be searched because it's no longer used. There's also no record of the Barclays systems' being updated to show the debt as satisfied – which I'd expect to see if the bank had decided not to pursue it in the way this letter says.

Miss G says she was given the letter in the branch so there's no proof of postage. But the letter also has mistakes and was addressed and written differently to Barclays' other letters to Miss G around that time, suggesting it was produced manually. Taking all these points into consideration, even if I was persuaded that Barclays sent this letter – and, based on the available evidence, I'm not – I think it would've been sent incorrectly because I don't think Barclays ever did consider the debt as satisfied. That means that this letter alone isn't sufficient reason for me to fairly tell Barclays that it shouldn't continue to pursue the debt.

I can see that Miss G spoke to Barclays about her debt in February 2016. I think this is likely to be the call Miss G is referring to when she said she was told she didn't have to repay anything. But Barclays has kept call records and while the relevant call recording isn't available - these records say that Miss G called to check how and when she should make a payment. There's no mention of the letter or the debt being satisfied. Without the recording, I can't be sure that the call notes are correct - but the advisor's notes are otherwise thorough and plausible and I can't find a good reason for them to have misrepresented the call. On balance, I think the most likely explanation here is that Miss G and the advisor discussed a payment as the notes say – which leads me to think Miss G knew then that she was expected to repay the debt.

Miss G has shared a copy of a letter she sent – through a debt management charity – to Barclays later in 2016 asking for confirmation that the debt was satisfied. Barclays hasn't got a record of this so doesn't know if she received a reply. But because I think Miss G knew when she spoke to Barclays in February 2016 - after she would've received the letter - that she was expected to repay the debt, and because the debt recovery agency was contacting her, I think she can be reasonably expected to have known the debt was still outstanding.

From the available evidence, I'm not persuaded that Barclays told Miss G she didn't need to repay her debt. All the evidence I've seen – although it's admittedly inconclusive – suggests that Barclays and the debt recovery agents wrote to Miss G several times about repayment before and after January 2016. And I'm not persuaded, on balance, that Barclays ever considered what she owed to be satisfied. So taking everything together, I'm not persuaded that Barclays did anything wrong here. So if Barclays is recording information that reflects this on Miss G's credit file, I think it's entitled to do that as an accurate record of the conduct of the account. I know Miss G will be disappointed with my decision, but I won't be asking Barclays to do anything more here.

**my final decision**

For the reasons I've explained, I don't uphold Miss G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 26 May 2019.

Katy Pillai  
**ombudsman**