

complaint

Mr M complains that Barclays Bank UK PLC, trading as Barclaycard ("Barclays") won't allow him to settle his credit card debt. He also complains that Barclays failed to respond to a subject access request.

background

Mr M had a Barclaycard credit card account with an outstanding debt in excess of £8,000. On 12 June 2018 he called Barclays to discuss a letter he had just received concerning the transfer of the debt to a third party (H). He asked if he could settle the debt with £3,000. Barclays said the minimum it would accept was £3,300 which Mr M didn't have at the time. Mr M said he called back the next day after securing the additional £300. At this point he said Barclays told him the account could not be settled as the process to transfer the account to H had already started.

Mr M complained to Barclays that he'd been given a settlement figure so should be allowed to settle. He also asked for a transcript of the telephone call from 12 June. Barclays said that information given on 13 June regarding the transfer of ownership of Mr M's account was correct but it accepted Mr M was given incorrect information the previous day. By way of apology it credited Mr M's Barclaycard account with £50. It said Mr M could make a subject access request for the information relating to the telephone call.

Mr M wasn't satisfied with this response so brought his complaint to this service. He also said he had paid the subject access request fee of £10 (required at the time) but hadn't received anything back. He felt that Barclays should either write off his debt or accept £3,300 to settle the debt.

Our adjudicator concluded that Barclays had acknowledged the mis-information and had paid £50 in compensation which she thought was fair and reasonable. She also said Barclays had been unable to provide the information Mr M had requested as it hadn't received a response to its letter requesting further detail.

Mr M asked for a final decision from an ombudsman. He accepted that Barclays could transfer the debt at any time but felt that Barclays had acted unfairly by offering a settlement figure but then claiming it shouldn't have offered this 24 hours later. He also said he hadn't received a letter from Barclays concerning the subject access request.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I realise this will come as a disappointment to Mr M but having done so I won't be asking Barclays to do anything further.

Barclays has accepted it did advise Mr M on 12 June 2017 that it could settle his debt for £3,300. It said Mr M offered £1,000 originally, then £2,500 and finally £3,000. It said it advised at the end of the call that the debt could be sold at any time and Mr M acknowledged that. I'm satisfied Mr M was corrected very quickly during the call the next day.

I can see from Barclays' system notes that Mr M's account was selected for transfer on 5 June and a pre-transfer letter was sent on 7 June. So I'm satisfied that the transfer was underway at the time of the calls on 12 and 13 June. I've looked at the terms and conditions and it does say that Barclays can sell the debt on and this was not only explained to Mr M on the phone but he accepted that. The notes also confirm the transfer to H was completed on 18 July.

Barclays has said that once the sale is agreed it wouldn't accept anything less than the full balance in settlement of the account. It's not my role to look at a bank's processes so the sale process is not one I can comment on.

Mr M has said it makes him feel sick to think about the way he's been treated by Barclays and that he's paid hundreds of pounds in interest and charges. And that Barclays told him it no longer wanted any payment when he was in extreme hardship paying £10 per month. He said he finds it hard to understand why they don't want to be paid the settlement offered now.

Barclays has said it had given Mr M more than enough time to settle the debt and it eventually made the business decision to sell the debt. I can see the last payment made to the account was in 2014 and the date of the default notice is July 2011. As Mr M hasn't disputed the actual debt amount in the phone call and was responding to correspondence concerning the transfer of the debt, with an attempt to make an offer, I'm satisfied he has been aware of the debt and his responsibilities for some time and could have approached Barclays with an offer prior to 5 June. So while I appreciate Barclays gave him incorrect information during the call on 12 June I'm satisfied it was already too late for Mr M to agree an offer lower than the outstanding balance. I consider £50 for the mis-information fair and reasonable and what I would expect under the circumstances.

But I am sorry to hear that Mr M is unhappy with the way he's been treated by Barclays and that he has been in some financial difficulties. This complaint deals with the phone call and the transfer of debt. A bank has a responsibility to act if it becomes aware that a customer is in financial difficulty. If Mr M is unhappy with the way Barclays has managed his account prior to the transfer this would be under a separate complaint. He would need to bring it to Barclays first in order that it has the opportunity to respond.

Mr M has also said that now the debt is sold there is no more room for negotiation. Mr M's debt is now owned by H. The fact that he can no longer negotiate with Barclays doesn't necessarily mean he can't negotiate with H. But this would be a matter between Mr M and H and not one on which I can make any further comment.

Mr M said he made a subject access request, including payment of the £10 fee, which was applicable at the time, but hasn't heard back from Barclays. I've seen a copy of a letter sent from Barclays on 14 February asking for specific details of the call Mr M was interested in. Mr M said he didn't receive it. I'm not disputing this but having seen evidence it was sent I can't hold Barclays responsible for Mr M not receiving it. I note that the adjudicator has now provided Mr M with a copy of the call.

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 M to accept or reject my decision before 2 June 2019.

Maxine Sutton
ombudsman