

complaint

Mr S complains about the way that Barclays Bank PLC (trading as Barclaycard) treated him after he decided he wanted to cancel a Barclaycard account and he's unhappy with the information that's been recorded on his credit file.

background

Mr S applied online for a Barclaycard and the account was opened with a balance transfer from another account. Mr S recalls speaking on the phone to Barclaycard about cancelling the card account during the cooling off period.

He says he was told he'd need to visit a branch in order to do this – and that when he explained this wasn't possible because of his disability, he was told to continue using the card.

Over the next few months Mr S used available credit on the card – and he made some monthly repayments but these had ceased by the time he'd had the card for around five months.

As a result, some time later, Barclaycard withdrew use of the card - Mr S says he found it particularly distressing having to deal with phone calls about the money he owed on his account during this time.

Barclaycard says when Mr S made it aware of his disability, it agreed to suspend collections activities for 30 days as Mr S was due to meet with the Citizen's Advice Bureau. But when it didn't hear anything further after a couple of months, Barclaycard passed his debt on to a third party debt collection agency.

After the matter had been outstanding almost a year, Mr S said he wanted his debt written off on mental health grounds, and at that point Barclaycard bought back the debt and requested up to date medical evidence in respect of Mr S's disability.

This was received a few months later and Barclaycard agreed as a gesture of goodwill to write off the account balance. And it backdated Mr S's credit record to show partial settlement – on the basis that this was a true and accurate reflection of his account. Barclaycard offered Mr S a payment of £200 for distress and inconvenience he'd been caused.

Mr S was unhappy with this response and asked this service to look into this complaint.

Our adjudicator didn't uphold Mr S's complaint. She felt Barclaycard had already done substantially more than she would ask it to if making a recommendation in line with the approach this service takes in cases like this.

Mr S disagrees. He feels Barclaycard didn't take his disability into consideration when managing his account. For example, he doesn't feel Barclaycard gave him sufficient time to seek advice from the Citizen's Advice Bureau by only agreeing to hold the account for 30 days. And he also says there were significant delays in providing him with a final response.

So the complaint has been referred to me.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I understand that Mr S is worried that the information Barclaycard has recorded on his credit record is adversely affecting him – and he feels that he's been treated unfairly by Barclaycard because it hasn't had due regard for his disability.

But, I agree with our adjudicator that Barclaycard has discretion to record late payment markers and debt as partially settled in these circumstances. I say this because Mr S did miss monthly repayments and the outstanding balance on his Barclaycard wasn't paid in full, but only partially paid. So I can't fairly and reasonably say that Barclaycard has made an error or that it is being unreasonable about this.

On the wider question of its treatment of Mr S generally, I don't feel I can fairly and reasonably conclude that Barclaycard failed to appreciate the extent or impact of Mr S's disability.

I don't know precisely what was discussed when Mr S contacted Barclaycard to cancel his card. But, ultimately, Mr S kept on using the card and Barclaycard subsequently wrote off his debt. So I can't say overall this outcome wasn't fair and reasonable.

Given the way Mr S managed his Barclaycard account, I don't think it's unreasonable that it withdrew the card after he'd missed making a number of monthly repayments. And I've seen nothing to suggest that its collections activity was unreasonable. In these circumstances, banks are entitled to seek recovery of outstanding debt. I can understand completely that Mr S found this a distressing experience. But based on the information I've seen, it doesn't appear to me that the bank acted in any way that wasn't fair or reasonable.

It appears to me that Barclaycard responded appropriately when Mr S told it about his disability – initially by allowing him extra time to seek advice and assistance. And later on, by buying back the debt and agreeing to write off the balance outstanding – a substantial four figure amount, towards which Mr S had made only very limited repayment.

I've taken into account that Mr S said he didn't realise at the time the purchases he was making were on his credit card, rather than his debit card. But I think it's fair to say that he had the benefit of the spending on his Barclaycard. And he could have chosen not to use his Barclaycard – even if he hadn't felt able to go into a branch to cancel it.

Whilst I am not unsympathetic to his circumstances, and I don't doubt the day to day difficulties Mr S faces as a result of his disability, I've seen nothing in the medical evidence to suggest that he lacks competency to manage his own financial affairs.

Barclaycard doesn't disagree that it failed to deal with Mr S's concerns satisfactorily, and didn't contact him when it said it would. But, I agree with our adjudicator that, given the actions it has taken already, I can't fairly and reasonably require it to do anything further.

Barclaycard has confirmed that its offer of £200 compensation remains open for Mr S to accept if he chooses to do so.

my final decision

For these reasons, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 14 May 2015.

Susan Webb
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