

## **complaint**

Mr F complains that Barclays Bank Plc trading as Barclaycard did not stand by its offer to settle his credit card debt.

## **background**

Mr F found himself in financial difficulties and fell into arrears with his credit card. In 2011 he entered into an arrangement with Barclaycard to make small monthly payments towards the debt. In late 2012 one of those payments was not made and he spoke to the bank. There is no recording of that call available but both Mr F and the bank agree he was offered the option of paying off half the debt in settlement. Mr F did not pay off half the debt, but continued to maintain his regular monthly payments.

Some eight months later Mr F and Barclaycard settled his payment protection insurance (PPI) complaint and the bank agreed to repay him a sum which, coincidentally, was approximately half of his outstanding credit card debt. The bank set this money off against his debt. He was then asked to repay the balance. Mr F complained on the basis that he had been made an offer eight months previously to clear his debt by paying half the sum outstanding. He believed the PPI payment satisfied this offer, but the bank did not agree. He then brought his complaint to this service.

The adjudicator did not recommend that this complaint be upheld. She did not consider that the offer made by Barclaycard during a phone conversation was either binding or open ended. Mr F did not agree and said Barclaycard made a clear and unsolicited offer which should be enforced.

## **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 am satisfied that in late 2012 Barclaycard took the view that Mr F was unlikely to be able to repay his debt and made an offer for him to pay half the amount owed in settlement. That offer was made after he had missed one of his monthly payments. Mr F did not take up that offer and continued to make payments. Eight months later when his circumstances changed and he had received PPI compensation he presumed he was entitled to accept the offer then.

Mr F entered into an agreement when he took out his credit card that he would make minimum monthly payments. He failed to honour that agreement. Barclaycard, recognising his financial plight, offered to accept less than it was owed. Mr F did not accept that offer when it was made. It is unreasonable to expect Barclaycard to keep open an offer indefinitely.

Some eight months later Mr F's circumstances changed and it is appropriate for Barclaycard to reevaluate its approach in the light of those new circumstances. It is open to Barclaycard to pursue the money it is owed by Mr F. I can only conclude that Barclaycard has behaved both reasonably and fairly.

## **my final decision**

My final decision is that I do not uphold this complaint.

Ivor Graham  
**ombudsman**