

complaint

Mr H complains that Barclays Bank PLC (trading as Barclaycard) is demanding payment of a credit card debt he thought he'd paid in full.

background

Mr H says he took a loan to pay off his credit card and didn't think he owed any money. He hadn't had any contact from the bank until 2015 and was unaware it was claiming there was a debt outstanding on the card.

The bank said it hadn't made a mistake. It never received any payment to clear the debt. It said it'd been receiving a monthly payment from Mr H until February 2015 and sent him monthly statements. It thought he should've been aware that there was a balance outstanding on his account. It said it emerged that Mr H had moved house but hadn't told them, so it wasn't its fault he hadn't received copy statements or letters. Without any information about when Mr H said the debt was paid off it was unable to help further. However it offered to write off over £500 in interest and other payments as a gesture of goodwill and £50 for its slow reply to the complaint. It also said it would look at the complaint again if Mr H could provide evidence that he'd paid off the debt.

The adjudicator didn't uphold the complaint. She said she'd seen credit card statements going back to February 2009 and there was no sign of any amount to pay off the debt. The statements also showed he hadn't made any purchases or cash advances on the account since 2010 but Mr H had continued to make monthly payments until February 2015. Because he hadn't updated his address at the bank Mr H wasn't aware the debt wasn't cleared. The bank had no reason to be concerned as post was not returned to it and the monthly payments continued. She said that the monthly direct debit payments might reasonably have alerted Mr H that the card was still active as he was making monthly payments.

Mr H didn't agree. He said that he didn't update his address because he didn't think he owed the bank any money.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. While I am sorry to disappoint Mr H I agree with the adjudicator for much the same reasons.

I can see that Mr H hasn't used the card for purchases or cash advances for several years but that a regular monthly direct debit payment was made each month until February 2015.

I have seen records for the account going back to 2009 and cannot see any record of a lump sum payment to clear the debt due on the account during that time.

I note that Mr H moved and the bank say he didn't notify them of the change of address until summer 2015. It also said letters weren't returned and he continued to pay the direct debit so it had no reason to believe information wasn't reaching him and the account was in order as monthly payments were made. So I don't think the bank made a mistake.

Mr H says he didn't tell the bank about the change of address as he thought the account was paid off. But that isn't the bank's fault and I don't think there was an error in sending his statements and letters to his old address. I can see that since July 2015 the bank has sent letters to Mr H's current address and kept him informed about his debt and the actions it was taking.

I can understand that Mr H is surprised that there is a debt outstanding. But I think he might reasonably have noticed the regular monthly direct debit payment and questioned this if he thought no debt was due. Mr H hasn't been able to provide any evidence that another financial institute sent money to pay off the debt or any details of the amount or dates when he says the debt was paid. So I don't think a mistake was made. I can only make a decision based on the evidence presented. While I can understand Mr H's frustration I don't think the bank did anything wrong and I cannot uphold this complaint.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 April 2016.

Colette Bewley
ombudsman