

## **complaint**

Mrs H complains that Barclays Bank UK PLC, trading as Barclaycard, sold her credit card debt onto a third party, when she had made it aware that she was having difficulties financially and personally.

In bringing her complaint, Mrs H is represented by Mrs K.

## **background**

In 2011, Mrs H had a Barclaycard and, as a result of an acquaintance using the card without her permission, she was left with a balance on it that she found herself unable to repay.

Barclaycard agreed to accept reduced repayments towards the account but arrears continued to build up. And in September 2012, it decided to transfer Mrs H's debt onto a debt collection agency which would honour the arrangement she had with Barclaycard until it was due for review.

In 2018, Mrs H's representative, Mrs K, complained on her behalf. They questioned what Barclaycard's responsibility to Mrs H during the time, as she had been experiencing very difficult personal circumstances. They said Barclaycard had acted improperly towards Mrs H and shown her a lack of care.

Barclaycard said it didn't think it had acted unfairly or incorrectly with Mrs H's account. It said it is required to take action on accounts where it feels this is necessary and it was obliged to report factual information to credit reference agencies. It said it had kept Mrs H informed and followed its processes correctly.

One of our investigators looked at the complaint but didn't think it should be upheld. He didn't think Barclaycard had acted unfairly, as Mrs H hadn't met the required payments towards her credit card and the account had fallen into arrears.

Mrs H didn't accept the investigator's findings and asked for the complaint to be reviewed. On her behalf, Mrs K said that Mrs H had made Barclaycard aware of her financial situation in 2012. Mrs K said English wasn't Mrs H's first language, and Barclaycard should've provided an interpretation of the documents it sent her.

## **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've been sorry to hear about Mrs H's situation and the difficulties she's experienced. Although I fully appreciate that many of the concerns Mrs K has raised on her behalf relate back to the initial problems Mrs H had when her acquaintance had used her Barclaycard, the matter I'm considering here relates to Barclaycard's actions through the way it handled Mrs H's account during that time and its agreement to transfer the debt onto the third party debt management company.

Any points that she's raised about the Payment Protection Insurance claim, compensation or that this could've reduced the debt in 2012 have been dealt with separately, and I won't be referring to these aspects further in this decision.

I can see that Barclaycard wrote to Mrs H in 2011 when she fell into arrears with the repayments towards her balance. And it used its legal right of set-off to use a credit amount in Mrs H's other accounts with Barclays against these arrears. So I think Barclaycard kept Mrs H informed of the arrears on her account; what actions it was taking about this and also what she could do to set up a way of repaying them.

Mrs H had help from a debt management company through that time, and made an offer of reduced monthly repayments. However, this was less than it needed to introduce a formal repayment agreement for Mrs H and Barclaycard set out what this would mean for her account – including that it would be closed from further use; no fees or interest would be charged on the balance; and that it could be referred to a debt collection agency if the regular payments weren't made.

And in September 2012, Barclaycard transferred Mrs H's account onto a debt collection agency.

Having looked over the history of the account, I don't think Barclaycard acted unfairly in closing the account or in transferring the debt. I appreciate all of the difficulties Mrs H was having through that time, and I can understand that this situation would have been made all the more difficult through her attempts to manage her finances and this debt. But I think Barclaycard looked to respond positively and sympathetically to Mrs H by accepting reduced payments and in stopping the interest and charges being applied to the balance.

Barclaycard let Mrs H know it was a possibility that her account would be transferred to a debt collection agency if the payments towards the balance weren't maintained - it was no longer the legal owner of her debt once this happened.

I understand the point Mrs K has made about English not being Mrs H's first language, and that an interpretation of the letters Barclaycard sent to her would've helped. However, I can see that Mrs H had sought the help and advice from a debt management company through that time, which was corresponding with Barclaycard on her behalf and referred to the letters from it. And I haven't seen that Mrs H asked Barclaycard to correspond with her in a different format. Barclaycard's records also show that Mrs H was in contact with it by phone through 2012.

Mrs H has told us about the impact of this debt; the affect it's had on her credit rating and that a County Court Judgement has been registered against her. However, Barclaycard's records don't show that it recorded a default against Mrs H during the time it did own the debt. So it's possible that this may have happened through the debt collection agency.

Overall, although I can appreciate how difficult this period of time and situation would've been for Mrs H, I don't think Barclaycard acted unfairly or inappropriately in the way it handled Mrs H's credit card account and her difficulties in making payments towards the balance.

### **my final decision**

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 21 March 2020.

Cathy Bovan  
**ombudsman**