

complaint

Mr H complains about interest and charges on his credit card with Barclays Bank Plc (trading as Barclaycard). He thinks they should have done more to assist him because he was in financial difficulty.

background

In 1993, Mr H opened a Barclaycard account.

Mr H unfortunately started to have difficulty managing his account – and due to a gambling problem, he got into financial difficulty. Because of this, some of his Barclaycard payments were made late, and Barclaycard added fees and interest to Mr H's account. Mr H thinks this added to his financial difficulty – and he thinks Barclaycard should have done more to help him.

Mr H says although he didn't speak to Barclaycard about the difficulties he was facing, he thinks they should have been aware due to the way he was handling his account and because a current account Mr H held with Barclays Bank was closed due to the overdraft limit.

Mr H complained to Barclaycard about the charges applied on his credit card account since April 2011 to December 2016. Barclaycard responded and said while Mr H sometimes made sporadic payments, his account was always brought back up to date so they didn't have concerns. They said that when payments were late, they wrote to Mr H and invited him to contact them if he was experiencing financial difficulties. They also said the charges and fees had been applied in line with the terms and conditions of the account. Barclaycard compensated Mr H £50 for the time it took for them to deal with his complaint.

Mr H remained unhappy and brought the complaint to our service. The adjudicator who looked at the complaint said the charges were applied in line with the terms and conditions and he explained he couldn't fairly say Barclaycard should have done more to help him as Mr H never made them aware of his financial difficulty.

Mr H responded and said Barclaycard should have been aware of his difficulty because he'd been banking with Barclays for over 15 years – and because his Barclays current account was closed this should have been an indication to Barclaycard that he was struggling. He also said while the individual charges may not have been unfair, the regularity and duration of them was.

The adjudicator answered Mr H's additional points and said while his current account was closed, Mr H was managing to keep up to date with his credit card payments – though sometimes late, and so it wouldn't have been an indication to Barclaycard that he wasn't managing his finances. The adjudicator didn't change his opinion about the charges applied and passed the complaint to an ombudsman for review.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I agree with the adjudicator for broadly the same reasons.

I've looked back at the various letters which Barclays sent to Mr H over the years. These letters include details about unsuccessful direct debits, and times when Mr H exceeded his overdraft. The exact wording varies but they all contain wording along the lines of *"If you are having trouble making your payments, please call us. We want to help you through any financial difficulties you may be having..."* Other letters also gave details about debt organisations Mr H could speak to that offer free and impartial help if he wanted independent debt advice. So I find that Barclaycard did provide information about what Mr H could do, if he was in financial difficulty.

Mr H said he didn't contact Barclaycard because he couldn't talk to anybody about his financial difficulty or his gambling problem for a long time. I appreciate how difficult this time must have been for Mr H, but I can't fairly hold Barclaycard responsible for that. While I appreciate that sometimes making late payments and exceeding his overdraft on his Barclays current account could have been a signal to Barclaycard that Mr H was struggling to manage his account, it's not a definite sign of financial difficulty. They offered Mr H assistance if he needed it, but they wouldn't have known the extent of Mr H's financial difficulties – or his gambling problem, because he didn't tell them.

I've also seen that on some occasions, Barclaycard did stop Mr H from using his card while his payments hadn't been met. But Mr H always brought the account up to date – so I think it's reasonable that Barclaycard thought he was managing his finances when it came to his credit card.

Banks are required to deal positively and sympathetically with customers in financial difficulty – but customers need to tell them if they're struggling. Mr H has confirmed he didn't tell Barclaycard about his money problems, and from the system notes they've provided, I haven't seen any evidence that Mr H ever attempted to contact them to discuss things. So Barclaycard's actions aren't unreasonable in the circumstances.

I know Mr H is concerned about the charges applied to his account. The Supreme Court ruling in 2009 says that charges can't be challenged on the basis they're unfair or too high. They can only be challenged if they've been applied incorrectly, against the terms and conditions of the account. Looking at Mr H's statements, and the terms and conditions of his account, I haven't seen anything which suggests that Barclaycard applied the charges incorrectly.

I appreciate the reasons why Mr H has brought this complaint. And I'm sorry to hear of the difficulties he's found himself in. But looking at everything that happened, I don't consider that Barclaycard has treated him unfairly.

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 H to accept or reject my decision before 16 April 2018.

Hayley West

ombudsman