

complaint

Miss A complains about a loan she had with Barclays Bank Plc. She's been unwell and just wants to sort out the outstanding balance.

background

Miss A took out a loan with Barclays in 2005. She became ill a few years later and fell into arrears. The debt was transferred to a debt collector. But it was transferred back to Barclays in early 2015. Miss A wanted to talk to Barclays about a payment plan or settlement. But it was difficult to find out who actually had the debt at the time.

Miss A said Barclays' final response letter referred her to a different debt collector. But the business didn't have any record of her account. Miss A is still unwell and she's still experiencing financial difficulties. She just wants to come to an agreed arrangement.

Barclays was sorry to hear Miss A was unwell. It could see a letter from Miss A in September 2017 hadn't been added to her file. And Miss A had to contact Barclays again. It apologised for any distress or inconvenience caused. And Barclays offered her a total of £200 compensation. Barclays confirmed the debt was now with the bank and Miss A could talk to its specialist department about her health.

Miss A wasn't satisfied with Barclay's response. So she contacted our service and our investigator looked into the matter. He wasn't in a position to ask Barclays to write off the debt. But he looked at Miss A's current situation. And he could see Barclays had agreed not to pursue her for the debt for 12 months. It wouldn't charge any interest during this period. So he felt that was a sensible way forward. And he felt the £200 Barclays had offered in recognition of the upset and confusion caused was fair.

Miss A didn't agree. She'd never asked for the loan to be written off. She'd made an offer of settlement. So she's asked for an ombudsman's final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's clear Miss A wants to try and sort out her situation. Although she's been unwell for a number of years she's tried to make regular payments towards her debt. And she's found it very stressful trying to get the correct information about who owns her debt - and what she can do to repay it. Miss A said she's felt harassed and just wants to agree a settlement with Barclays.

I don't think it would be fair for me to ask Barclays to write off the outstanding amount. But I would expect Barclays to treat Miss A sympathetically and positively now it's aware of her financial difficulties. And I can see Barclays has agreed to suspend any debt repayment and interest charges for 12 months.

I think that's a fair response. It means Miss A has a whole year without the stress of being chased for the debt. And hopefully her health and financial situation can recover a little during this time. Once this period has ended I would expect Barclays to review the situation sympathetically with Miss A and try and find a suitable way forward.

I think its clear Miss A wants to repay as much of her debt as possible. But her poor health has had a big impact on her. I can see Barclays has offered Miss A £200 compensation for any trouble or upset caused while she was trying to discuss the situation with the bank. And I think that's a fair and reasonable amount. So I won't be asking Barclays to do anything more.

But I hope the 12 month break that Barclays has agreed will offer some respite. And I hope Miss A is able to find a suitable arrangement with the bank in a year's time.

my final decision

My final decision is that Barclays Bank Plc should pay Miss A £200 compensation as it has already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 1 July 2018.

Andrew Mason
ombudsman