

The complaint

Mr M complains that Barclays Bank UK PLC trading as Barclaycard closed his credit card account.

What happened

Mr M held a credit card account with Barclaycard. In March 2023 Barclaycard wrote to Mr M and advised him that because his account had been dormant, he would need to use the card or opt out by 22 May if he wanted it to remain open. Barclaycard sent a text reminder on 17 May 2023.

Mr M didn't use his card by 22 May, Barclaycard closed the account.

Mr M used the card on 25 May 2023. He contacted Barclaycard on 27 May 2023 to see if his account would remain active. The agent advised Mr M that it would.

Barclaycard subsequently closed the account. Mr M complained to Barclaycard. He said he'd been advised that the account would remain active.

In its final response, Barclaycard said it was upholding the complaint as the agent had incorrectly advised him that the account would remain active. It said the closure of the account had not been completed incorrectly, because Mr M hadn't opted out of the dormancy process by 22 May 2023. It apologised for the incorrect information given by the agent and offered compensation of £25.

Mr M remained unhappy and brought his complaint to this service. He says if he had been advised on 27 May 2023 that the account still had to be closed due to the deadline being missed, he would've accepted this and made other arrangements. Mr M wants the account re-opened with the same credit limit as he had before and the option to do a balance transfer at 0%.

Our investigator said that Barclaycard made an error when it advised Mr M on 27 May 2023 that the closure wouldn't go ahead. The investigator said that the compensation offered for the error was fair and reasonable.

Mr M didn't agree. He said that if Barclaycard hadn't been able to stop the account closing then they should have advised him of this when he called on 27 May 2023. Mr M said he didn't believe that the closure couldn't be stopped.

What I've decided – and why

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

I've reviewed the system notes provided by Barclaycard. These show that a letter was sent to Mr M in March 2023 giving him 2 months' notice that the account was going to be closed. This is in line with the terms and conditions of the account. Mr M has said that he never received the letter. Based on what I've seen, the letter is correctly addressed so I can't be

certain of why Mr M didn't receive it.

The system notes also show that a SMS message was sent to Mr M in May 2023 reminding him that he needed to opt out of the dormancy process by 22 May 2023. Mr M doesn't dispute receiving the text message.

Mr M didn't use the card by the deadline of 22 May 2023. I can see that he made transactions on 25 May 2023.

The crux of this complaint turns on the telephone call dated 27 May 2023. Mr M's case is that he was advised that the account could remain open, and that the agent said that he would put a note on the account not to close it. Mr M says he arranged his finances accordingly and intended to make a balance transfer to the account.

I've listened to the call dated 27 May 2023. During the first part of the call, Mr M and the agent discussed the account. Mr M told the agent about the dormancy closure date and said he'd used the card a couple of days ago. The agent said to Mr M that if he'd used the card then the closure shouldn't go ahead.

Having listened to the call, I'm persuaded that the agent was responding to the information which Mr M had given him. It seems that the agent interpreted what Mr M had said about using the card a couple of days ago as Mr M saying that he'd used the card before the deadline.

In my view, the agent should have checked the account to see when Mr M had used the card before giving advice about whether the account could remain open or not. If the agent had done so, he would've seen that Mr M hadn't used the card by the deadline.

In the second part of the call, the agent said he would note the account. It isn't at all clear from the conversation what the agent was intending to note. Mr M has said that the agent said he would note the account not to be closed but having listened to the call I can't agree that this was said. Even if the agent had noted the account not to be closed, this note wouldn't have made any difference because the closure process had already begun.

I appreciate that Mr M feels very strongly about what's happened. It's clear that the telephone call fell below the standard of service that Barclaycard would want to provide. It has acknowledged that errors were made on the call and has offered compensation for the poor service. I understand that Mr M doesn't want compensation, but taking everything into account, I think the compensation offered is a fair and reasonable amount.

Mr M has questioned whether the closure process could have been stopped. Barclaycard has told this service that the decision to close the card is final and can only be cancelled if the card is used prior to the deadline. It said that because the card wasn't used prior to the deadline, the decision couldn't be cancelled. I appreciate that Mr M doesn't accept this explanation. However, this is the banks process and I'm unable to require Barclaycard to change its processes.

I understand that this isn't the outcome Mr M wants but I hope I've explained why I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or

reject my decision before 1 August 2024.

Emma Davy
Ombudsman