

The complaint

Mr O complains that Barclays Bank UK PLC trading as Barclaycard (“Barclays”) hasn’t honoured a promotional offer it told him was available to him. He believes that Barclays’ advertising of the offer has been misleading. And as a result, he says he has suffered multiple losses.

What happened

Mr O took out a Barclaycard Avios Plus credit card on 30 November 2022. Mr O says at the time, there was a promotional offer on the account – if he spent £10,000 on the credit card in the next 12 months, he would be entitled to choose either a cabin upgrade or 7,000 Avios points.

Mr O says he spent the required amount within around 10 months of opening the account, however when his one-year anniversary of account opening came around, he wasn’t able to select the offer he wanted.

After multiple phone calls to Barclays, he wasn’t able to resolve the matter. And so he complained.

Barclays responded to Mr O’s complaint and upheld it. Barclays explained that Mr O should have got the option in the mobile app to make a selection as to which offer he would like to choose. It confirmed that the cabin upgrade had already been applied to Mr O’s account and it would pay him £200 for the distress and inconvenience of what happened.

Mr O didn’t accept Barclays proposed resolution. He reiterated that Barclays advertising to him at the time of taking out the credit card had been misleading. He explained to this service that he had lost out in many ways, which included the interest he had paid on the purchases he made using the card, he had paid a monthly fee for the card, he had lost out on flight deals, his family had been let down, losses relating to call costs in resolving the matter, and he had suffered significant distress and inconvenience.

An Investigator considered what both parties had said but they didn’t think the complaint should have been upheld. They explained that at the time Mr O opened the account, the promotional offer was for a cabin upgrade only, which is what Mr O received. So they didn’t think Barclays had done anything wrong when it didn’t give Mr O the option of selecting Avios points.

Mr O didn’t agree with the Investigators view. He provided further evidence to show that he had received emails from Barclays which explained to him that he had a choice of promotion. He reiterated the points made in his initial complaint about how he had been affected.

Barclays reviewed what had happened again. It agreed that Mr O should have been provided with the option of either selecting a cabin upgrade or 7,000 Avios points. It said it wasn’t clear why Mr O hadn’t been provided with the option. It recognised that the cabin

upgrade had already been applied to Mr O's account. However, Barclays revised its offer to Mr O and offered him a further £200 in compensation (£400 in total) and 7,000 Avios points.

Mr O didn't accept Barclays offer. He said it wasn't enough to recognise the multitude of losses he experienced. And he said that the Avios points were no longer as valuable to him as they were previously. Mr O felt that an offer of £1,500 would be a more appropriate way to put things right. He said that if Barclays couldn't offer him this, then he would request a final decision seeking to be put back in the position he would have been in had he not taken out the card.

Barclays didn't agree to pay Mr O £1,500 as requested, and so the case was passed to me to make a decision on the matter.

I wanted to give both parties the opportunity to review my current thoughts on Mr O's complaint. And so I issued a provisional decision setting out what I thought. I have copied my provisional findings below, which also form part of this final decision.

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

I think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my provisional decision. I say this as I'm aware I've summarised Mr O's complaint in considerably less detail than he has. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

Mr O has been consistent with his testimony throughout his complaint in that he wasn't given an option to select the Avios points he wanted. And Barclays hasn't sent me any evidence which contradicts Mr O's version of events. So, I'm persuaded Mr O didn't get the option to select the Avios points in the mobile app. And instead, ended up with the cabin upgrade which wasn't his preference. There doesn't appear to be much dispute over this point now. And so, what's left for me to decide is if Barclays has done enough to put things right for Mr O. Based on what I've seen so far, I think it has.

Mr O has asked that Barclays put him back in the position he would have been had he not taken out the card. I think what he's asking here is that interest, charges and account fees are refunded to him. I'm not going to ask Barclays to do this. When Mr O first took out the card in 2022, it appears that the promotional offer available to him at the time was for a cabin upgrade only. This was changed in 2023 to provide customers with the option of having a choice between a cabin upgrade or Avios points. Because of this, it wouldn't be fair for me to ask Barclays to refund all interest and charges given that he took out the card and made purchases with it, while the offer was for the cabin upgrade only. It appears that at the time he took out the account he was happy to use the card for purchases to get the cabin upgrade, which is ultimately what he got.

I accept that when the new offer was communicated to Mr O in 2023, that at some point following this, he changed his mind about what offer he wanted. But I'm not persuaded that the sole reason Mr O continued to use the card was to get the newer offer. It's possible that Mr O would have continued to work towards the offer even if it hadn't changed, thus still incurring interest charges and account fees.

In addition to this, the interest Mr O incurred is the cost associated with making purchases (and not repaying the balance in full each month). If Mr O was solely using the card in order to get the promotional offer, he'd have needed to have paid off the balance every month, so he wasn't charged interest. But this wasn't done. And so, I don't find that Barclays ought to refund the interest and charges applied to Mr O's account.

Mr O says because he didn't get the Avios points when he expected to receive them, he lost out on flight deals. Mr O hasn't provided this service with any evidence of the losses he says he incurred here. But even if he had I wouldn't likely agree that Barclays needed to compensate Mr O the difference. That's because, I think what Mr O has lost out on here is the expectation that he would have had the option of selecting the Avios points reward at the time of the anniversary of the account. My view is that Mr O has suffered a loss of opportunity to book the flights he wanted, as opposed to suffering a direct financial loss. I have considered this when deciding on a fair amount of compensation.

I agree with Mr O here that he has spent a lot of time trying to sort this matter out with Barclays. And I think this could have been prevented if Barclays had got to the bottom of the issue sooner than it did. I think this has certainly caused Mr O some unnecessary distress and inconvenience, which I have taken into account when deciding on fair compensation in this case.

Barclays has now agreed to allowing Mr O both the Avios points and the cabin upgrade. While I appreciate Mr O says the Avios points are no longer important to him, Barclays offer here is more than what should have been available to him at the anniversary. So, in terms of putting right what Mr O has lost out because of not having received the promotional offer he wanted, I think this is more than fair.

It's seldom straightforward to decide on appropriate levels of compensation for non-financial losses. Not least because the impact on the consumer will be, by its very nature, subjective and difficult to quantify. In this case, I have considered the inconvenience to Mr O in having to sort the matter out, the distress he says the matter caused him and the lost opportunity of not being able to book the flights he wanted. When deciding on fair compensation, I have taken all of this into account, together with our published approach to compensation for distress and inconvenience, which can be found on our website. Having done so, and while recognising Mr O's strength of feeling about the matter, I'm satisfied Barclays' offer of £400 is a fair way to resolve this part of his complaint – when combined with allowing Mr O both the Avios points and the cabin upgrade."

Barclays responded to my provisional decision to say it accepted the findings. It said that it had credited Mr O's account with 7,000 Avios points. And that it would credit Mr O's Barclaycard with the additional £200 if Mr O accepts the decision.

Mr O didn't agree with the provisional decision. He felt that an award of £400 wasn't enough, and maintained that £1,500 would reflect the financial, emotional, and logistical impact the matter had on him more appropriately. In summary he made the below points:

- He received contradictory information from multiple agents at Barclays, which was distressing and time consuming.
- The delayed and insufficient resolution efforts by Barclays meant that the Avios points were no longer of meaningful benefit to him.
- He sustained considerable financial losses as a result of Barclays error. This includes the interest charges he incurred on the account while trying to meet the promotional threshold, fees associated with the account and missed opportunities for discounted holiday bookings.

- Barclays provided this service with incorrect and misleading information when investigating his complaint. This prolonged the investigation into his complaint and made the process more difficult for him.
- Barclays initial offer of £100 was too low and wasn't a fair reflection of the impact the situation had on him.

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.

Having considered everything again, I'm satisfied that Mr O's complaint should be upheld, for the same reasons as outlined in my provisional decision.

I'd like to thank Mr O for taking the time to respond to my provisional decision with the information he has. I'd also like to assure him that I have read and taken into account all of the points he has made in response to the provisional decision, as I am aware I have summarised his points in much less detail than he has.

Some of the points Mr O has raised are a reiteration of the concerns he had previously told us about, and that I had already considered and addressed in the provisional decision – for example, the interest and account fees he incurred, the loss of opportunity to book flights, the misinformation he was provided when trying to resolve his concerns with Barclays and the Avios points no longer being of benefit to him. Mr O hasn't added anything more to what I previously considered here, and what he's said in relation to these points in response to my provisional decision doesn't change my view on what I think Barclays should do to put things right for him. Because I have already considered and addressed these concerns, I don't intend to cover them off again in this final decision.

I note that Mr O has referred to Barclays providing this Service with misleading and incorrect information during the course of his complaint being reviewed – and that this has ultimately delayed things. He has also complained about the initial offer Barclays provided him with of £100 being too low. Neither of these points are something that I can consider because they relate to how Barclays has handled his complaint. Complaint handling isn't a regulated activity, and so not something this service can consider. That being said, neither of these points would likely have changed my view on what Barclays needs to do to put things right for Mr O.

Putting things right

To put things right for Mr O, I order Barclays to (if it hasn't done so already):

- Provide Mr O with 7,000 Avios points
- Pay Mr O an additional £200 (£400 in total) to recognise the distress and inconvenience caused.

I note that Barclays has said it will credit the additional £200 to Mr O's Barclaycard account – I think this is acceptable. However, if Mr O would prefer the £200 transferring to a different account, he will need to make this known to Barclays.

My final decision

For the reasons set out above, I uphold Mr O's complaint. I order Barclays Bank UK PLC trading as Barclaycard to put things right for Mr O by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 20 December 2024.

Sophie Wilkinson
Ombudsman