

The complaint

Mr L complains about Barclays Bank UK PLC, trading as Barclaycard, as he feels they've unfairly closed his credit card.

What happened

Mr L had two credit facilities, a credit card (with Barclaycard) and a Barclays bank account overdraft, which were removed.

Mr L has complained to our service about Barclays' actions. Due to his complaint being about two different products, our service set up two separate complaints.

The complaint and decision addressed here is about the closure of his credit card.

In early November 2023, Barclaycard sent Mr L a letter saying:

- *'We've reviewed your account and to help you avoid going back into persistent debt, we'll be closing your Barclaycard'*. The letter explained:
 - They were making this change after reviewing the affordability of Mr L's credit, *'based on what we know about your situation, and data from external credit reference agencies'*.
 - *'To stop your balance increasing, your card will be placed on hold on 9 November 2023 and you won't be able to spend on it. Then on 5 January 2024, we'll close your account and you'll need to pay off any remaining balance'*.

Mr L was disappointed to be told this decision was final. Also, that Barclaycard didn't consult with him or give him an opportunity to provide further information. So, he brought his complaint to our service, but our investigator didn't uphold it.

As Mr L remains dissatisfied his complaint has been referred to me to look at.

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 done so, I'm not upholding this complaint and I'll explain why.

I should first explain this service can't instruct a business to re-open an account or alter its procedures or processes. I say this because we aren't the regulator of the financial services industry, and our role is to consider each individual case. However, where we think a business hasn't acted fairly and reasonably in the circumstances, our role is to decide what should be done to put right any financial, or non-financial losses that a consumer has experienced.

Whilst I appreciate Mr L's feelings here, a bank is entitled to close an account with a customer just as a customer may close an account with a bank. However, when doing so, it must comply with the terms and conditions of the account.

I looked at the terms and conditions that Mr L would've agreed to when he opened his account and, from reviewing these, I'm satisfied Barclays were entitled to review and make a decision to close Mr L's credit card account. This is because their terms and conditions include the following:

- *'We can close an account (and stop providing any services and end this agreement) by giving you at least two months' notice'.*

I then considered whether they gave Mr L the required notice and from reviewing the file including their November 2023 letter, I'm satisfied they did.

Although Barclaycard aren't required to give a reason, and Mr L had recently paid off his balance, their letter explained their action was because of persistent debt. I found this was consistent with information on file, that showed Mr L had been in persistent debt for a considerable period.

Barclaycard have legal and regulatory responsibilities to ensure fair lending and file notes show they were concerned about keeping Mr L's account open.

Having considered the above and all the information on file, whilst I appreciate Mr L's disappointment, I don't think Barclaycard treated him unfairly here. So, I'm not upholding his complaint against Barclays Bank UK PLC, trading as Barclaycard.

My final decision

My final decision is I'm not upholding this complaint against Barclays Bank UK PLC, trading as Barclaycard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 24 May 2024.

Paul Douglas
Ombudsman