

## The complaint

Mr H complains Barclays Bank UK PLC haven't been open, honest and transparent with him when closing one of his credit cards.

## What happened

Due to Mr H's personal circumstances, one of his three credit cards with Barclays ended up in persistent debt. The credit limit was reduced from £15,000 to £6,000 as part of this process – and once the balance was paid off the account was closed. Mr H wanted a clear explanation of why, as his other two accounts remained open.

Barclays said *"as part of our persistent process, once a customers account has a zero statement balance, we check their account is set up in the right way for them. We reviewed your account and we thought it may not be the best option for your finances if you continued to use your card..."*. Barclays went on to say they understood Mr H would like more information about how exactly they decided this, but they said their lending criteria is confidential so they couldn't share any more.

In his complaint to Barclays, Mr H mentioned other issues for which Barclays paid him £50. Mr H has made it clear those issues aren't part of this complaint, so I won't mention them again.

Unhappy with Barclays's answer, Mr H asked us to look into things. One of our Investigators did so and was satisfied Barclays had provided their reason for closing Mr H's account – so didn't think they'd done anything wrong. Mr H didn't accept this, so the complaint's been passed to me to decide.

## 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.

The terms and conditions of Mr H's account allow both Mr H and Barclays to decide to close the account.

In the letter sent to Mr H confirming his account would be closed, Barclays said:

*We've reviewed your situation, and we'll be closing this account, as you have more than one Barclays and your combined credit limit could be too high. By having just one card, and one credit limit, this means you're borrowing an amount that you're able to comfortably pay back.* Barclays elaborated further in their response to Mr H's complaint explaining they thought it'd be best for Mr H to not be able to continue to use his card. And, it's part of their persistent debt processes to close down someone's account once the balance has been repaid.

I realise Mr H says his circumstances are likely different to most people's – in that it was due to personal circumstances he wasn't repaying the full balance – not because he couldn't afford it.

Overall though, I think Barclays have acted fairly. Although I do understand Mr H was in persistent debt for reasons different to most people, he was still in persistent debt. It's Barclays's process to close someone's account once they've paid off the balance in those circumstances. And, while I can see Mr H doesn't agree, I do think they've been open, honest and transparent about that.

Finally, I've noted Mr H mentioned the Consumer Duty. But, this applies from 31 July 2023 and isn't retrospective. Mr H's account closure happened before then, so it doesn't apply in his case.

### **My final decision**

For the reasons I've explained above 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 31 January 2024.

Jon Pearce  
**Ombudsman**