

The complaint

Mr S complains Barclays Bank UK Plc transferred a previously settled credit card debt to a debt collection agency.

Background

In January 2020 Mr S received a letter from Barclays explaining it had transferred debt on his credit card to a debt collection agency. The letter said the agency would be in touch about a repayment plan. Mr S says he didn't recognise the credit card as being his. He contacted Barclays to find out what was going on.

Eventually Barclays accepted it had made a mistake. It said the account had been settled a few years earlier but its records hadn't been updated correctly. It said there had been no detriment to his credit file or other account with Barclays. It said the debt had been recalled from the debt collector and no further action would be taken.

Barclays acknowledged Mr S had received poor customer service during his attempt to sort the issue out – including making multiple calls and not receiving agreed call backs. It offered Mr S £250 compensation. He feels that isn't enough to recognise the time he put into sorting the matter out. Barclays didn't agree to pay him any extra. So he came to this service.

Our Investigator felt £250 was enough to recognise what had gone wrong and its impact on Mr S. So he didn't recommend Barclays pay any extra or do anything differently. Mr S didn't accept that. So the complaint has come to me for a final decision.

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 making Barclays pay Mr S any extra or do anything differently.

Barclays has admitted its mistake. So I don't need to consider what went wrong. I just need to decide if Barclays has done enough to put things right.

The account has been recalled from the debt collecting agency. It's confirmed that in writing to Mr S. Barclays says his credit file and existing account with it is unaffected. I've no reason not to accept that. So there's nothing more to do there.

Mr S wants Barclays to pay him about £1,000 compensation. He says that's to make up for two days of lost work. But I don't agree that would be reasonable. I can see this matter caused Mr S both distress and inconvenience. He received some letters from Barclays and debt collectors incorrectly saying he owed money and would be required to pay it back. It seems he was worried he might have been the victim of fraud.

I can understand why that would be distressing and why it would cause him to treat the issue as a priority. I accept it took him some time and effort to get to the bottom of. But I'm not

persuaded it was necessary or proportionate to spend full two working days, or the equivalent, on the issue.

I think Barclays' offer of £250 is a reasonable amount to recognise the distress and inconvenience of its mistakes. So I'm not going to require it to pay any extra or do anything differently.

My final decision

For the reasons given above, I'm not requiring Barclays Bank UK Plc to pay Mr S any extra compensation or do anything differently. It's offered him £250. That's fair and reasonable in the circumstances. So my final decision is that Barclays Bank UK Plc should pay Mr S £250 compensation if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 May 2020.

Daniel Martin
Ombudsman