

The complaint

The executors of the estate of Mrs F complain that Barclays Bank UK PLC has provided misleading and unreliable information about an outstanding debt.

What happened

The late Mrs F had a Resolve loan account with Barclays. Sadly, Mrs F passed away in 2021. Ms D and Ms M (the Executors) were appointed as executors of Mrs F's estate and Probate was subsequently granted to them.

The Executors started to investigate their late mother's financial affairs. They wrote to Barclays and asked it to look into a loan which their mother had been paying off. They thought that the loan may have been mis-sold. Barclays sent a final response letter dated 7 April 2021. It denied that the loan had been mis-sold but it said the loan was shown as written off and therefore no further action would be taken.

On 27 April 2021, the Executors received a letter from an agency (P) appointed by Barclays. It said that the loan was still outstanding and that a balance of £7,355.44 was due and owing. The Executors challenged this. P responded by telling them it had no record of the debt having been written off but it would investigate further. The Executors then received a letter from P quoting the loan account number and a balance outstanding of £5,479.94. Barclays subsequently informed the Executors that the correct amount outstanding was £7,355.44.

The Executors referred their complaint about what Barclays had told them about the debt having been written off, to our service.

Our investigator asked Barclays for more information about the discrepancies. It said the debt had not been written off. The information in its final response letter was incorrect because it had mis-interpreted the information on its systems. It also said that it had provided incorrect information to P about the outstanding balance. It provided statements to confirm that the correct balance outstanding was £7,355.44.

Our investigator considered what Barclays had said. He was satisfied on balance that the debt had not been written off and that the balance outstanding was £7,355.44. He didn't think that, although Barclays had made an error in its final response letter, that meant the debt should be written off.

He noted that Barclays had accepted that its service was poor and had offered to pay the Executors £50 by way of compensation. He said that under our Rules, he couldn't instruct it to pay anything further as he could only award compensation for any loss suffered by the eligible complainant – that was the late Mrs F.

The Executors did not agree. They said that they could have no trust or confidence in any information Barclays provided. They thought it should honour what it had said in its final response letter and write the debt off. They also queried what had happened to the credit balances in two other accounts their late mother had held with Barclays.

Our investigator explained that Barclays had told us that the credit balances had been set-off against other debts Mrs F owed. But, he didn't change his view about how the complaint should be resolved.

Because the Executors disagreed, the complaint has 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.

At the outset, I wish to express my sincere condolences to the Executors on the death of their mother.

The complaint in this case relates to a Resolve loan granted to the late Mrs F. In its final response letter dated 7 April 2021, Barclays told the Executors the loan it had provided to the late Mrs F had been written off. It now says that this information was incorrect and it wants the Executors to repay the loan from Mrs F's estate.

The Executors have challenged what Barclays has said. They rely mainly on the following arguments:

- Barclays shouldn't be able to go back on what it told the Executors about the loan having been written off;
- The amount of the loan outstanding is in doubt. Not only did Barclays say it had been written off but its agent, P, initially said the amount outstanding was £7,355.44 and then subsequently said the amount outstanding was £5,479.94. Barclays now says that the correct amount is £7,355.44

I've thought firstly about the information Barclays provided in its letter dated 7 April 2021. It says the information in that letter was mistaken. Where incorrect information has been provided, we look to see whether the receiver of that information has relied on the information and whether any loss has been incurred as a result.

In this case, the Executors became aware, when they received the letter from P dated 21 April 2021 that the information in the previous letter was now in doubt. That was very shortly after they'd received the incorrect information. I haven't seen anything to indicate that they'd taken any actions in reliance on the information received in the letter dated 7 April prior to 21 April 2021 or that the estate of Mrs F suffered any loss as a result of the incorrect information provided by Barclays. So, I don't think it would be fair or reasonable, in these circumstances, to require Barclays to have to write off the loan.

I've then looked at the subsequent letters received from P. I can understand why the information in these letters confused the Executors and also why it caused them to doubt the reliance they could place on the amount that Barclays told them was outstanding on the loan.

It is important, particularly where there has been a bereavement, that a bank and its agents should take care to ensure that all of the information provided to the representatives of the estate is accurate. It is regrettable that didn't happen here. But, despite that, and although I know it will come as a disappointment to the Executors, I'm persuaded that the correct amount outstanding on the Resolve loan is £7,355.44. I'll explain why.

Barclays has explained that the late Mrs F had a Resolve loan with Barclays. It's provided a copy of the loan agreement entered into in January 2011. The loan amount is recorded as £16,900 repayable over 120 months at £140.84 per month. The Executors have told us that Mrs F was experiencing personal and financial difficulties and she approached an organisation which assisted her to arrange a debt management plan in or about 2016.

Barclays has provided copy statements for the Resolve Loan. These statements are for the period since August 2018. I haven't received any statements prior to that date.

I've noted that the account number on each of these statements is **0494. I am satisfied on balance that this loan account number relates to the Resolve loan taken out in January 2011. I say that because the statements include details of the original loan to which the account relates and these details align with the information on the Resolve loan agreement dated January 2011. I can see that the payments being made to this account in the period after August 2018 were less than the amount set out in the original agreement – which may be because Mrs F had entered into a debt management plan. The payments were being made monthly by direct debit and the monthly payments changed over time as follows:

August 2018	- £22.29
November 2018	- £13.41
December 2019	- £16.87

The interest rate being applied to the account during the period covered by the statements was 0%. The statements also provide the outstanding balance. I have checked the opening and closing balances on each statement provided and I haven't found any discrepancies. The last statement is dated 8 February 2021 when the outstanding balance is recorded as £7,355.44.

So, having considered everything here, I'm not persuaded that Barclays needs to take any further action to resolve this complaint. It has offered to pay the Executors £50 for the distress and inconvenience they experienced as a result of what happened. As our investigator explained, our service cannot award compensation to the Executors or require Barclays to increase the amount of compensation it has offered to pay them. The reason for that is because the Executors are not the eligible complainant under our Rules. The eligible complainant here is the estate of Mrs F. I can only award compensation if the estate of Mrs F has suffered any loss and for the reasons set out above, I've decided that the estate of Mrs F hasn't suffered any loss.

My final decision

For the reasons given above, I do not uphold this complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs F to accept or reject my decision before 7 October 2022.

Irene Martin
Ombudsman