

## **The complaint**

Mr B complains that Barclays Bank UK PLC made errors with his buy to let mortgage accounts which caused difficulties with his tenants and resulted in adverse data on his credit files. He asks that this is put right and for an apology and compensation that reflects what he's been through.

## **What happened**

Mr B has three buy to let mortgages with Barclays. He moved home in early 2021 and asked Barclays to change his correspondence address. It failed to do so, and instead sent letters to the buy to let properties. Barclays also allocated payments between Mr B's mortgage accounts incorrectly and then recorded a missed payment on Mr B's credit file.

Mr B says this resulted in tenants at one property being concerned that he was in financial difficulty and they might lose their home. He's worried they'll move out. Mr B says another tenant refused a rent increase after opening a letter and seeing the monthly mortgage payment. And the adverse data on his credit file meant he was unable to take out a home improvement loan for his new home, delaying the work he wants to do.

Mr B says it's taken far too much of his time trying to sort matters out, and caused him stress and anxiety. He says Barclays didn't deal with his complaint fairly.

Barclays agreed it made errors. It said it had corrected Mr B's credit file and his correspondence address. It asked an internal team to review the data breach. Barclays offered £650 compensation for the distress and inconvenience it caused Mr B and £500 for the data breach.

Our investigator said Barclays' offer of compensation was fair.

Mr B didn't agree. He said his file with one of the credit reference agencies still showed the missed payment. Mr B said the compensation offered was an insult given what he'd been through.

## **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.

Barclays accepts it made errors. It failed to update Mr B's correspondence address correctly and sent letters to the buy to let properties for several months, including after he'd raised a complaint. And it allocated a payment to the wrong account and recorded a missed payment on Mr B's credit file.

Barclays says it corrected the payments made to Mr B's mortgage account and what it had reported to the credit reference agencies. However, Mr B said a missed payment is still being reported by one of the credit reference agencies. Mr B provided a copy of his report from one of the credit reference agencies and this does show a missed payment for April

2021 for one of his mortgage accounts with Barclays. His other accounts are shown as up to date.

Mr B says one of his tenants might move out due to concerns about his financial situation after a letter was sent to the property suggesting he'd missed a payment. And another tenant hasn't agreed to a rent increase after discovering how much his monthly mortgage payments are. Mr B's tenants only know about these matters due to Barclays sending letters to the property in error. Leaving aside whether the tenants ought to have opened the letters (which weren't addressed to them), I don't think I can fairly find that any decisions the tenants might make to move out or decline a rent increase are only because of the letters.

Similarly, Mr B hasn't provided evidence that the only or even the main reason he couldn't access a loan for improvements to his home was due to the missed payment on his credit file. I do understand it can be difficult to provide evidence of this.

Based on the available evidence, I don't think I can fairly find that Mr B has financial loss due to Barclays errors.

There's no doubt though that this caused Mr B inconvenience, upset and embarrassment and it's right that Barclays pays compensation for that.

I can understand Mr B would have been embarrassed by his tenants seeing information about his mortgages, and especially the incorrect suggestion he'd missed a payment. He's had to spend additional time collecting letters from and dealing with his tenants, as well as contacting Barclays.

Although Mr B hasn't provided evidence that the missed payment on his credit file caused him to be declined credit, I can appreciate that he was worried about this. I think it took Barclays longer to put matters right than it should have done. The problem with letters going to the wrong address recurred after Barclays said it was fixed. By mid-2022, Barclays still hadn't fully corrected Mr B's credit files, despite saying it would do this. Mr B says he wants to apply for credit and this is holding matters up.

Taking all this into account, I think the compensation offered (£1,150) is fair and reasonable in the circumstances. I think this fairly takes into account Mr B's worry and embarrassment, as well as the inconvenience and time he's spent sorting out the problem and the length of time this has gone on for.

Mr B says Barclays didn't respond fairly to his complaint. Complaint handling isn't itself a regulated activity, which means we can't look into it. I can look into how a complaint was dealt with if this impacted on sorting out the underlying problem – here the incorrectly addressed letters and adverse data on Mr B's credit file. I don't think that was the case, although I agree that it took too long for Barclays to sort these matters out even after he raised a complaint. However, as I've said, I think the compensation offered is fair and reasonable even when taking this into account.

We offer an informal dispute resolution service. I don't have the powers of a regulator and I can't fine Barclays. If Mr B remains concerned about the data breach he can consider raising his concerns with ICO.

### **Putting things right**

As well as paying the compensation it offered, Barclays should take steps promptly to correct Mr B's credit file to remove the missed payment recorded for April 2021.

### **My final decision**

My decision is that Barclays Bank UK PLC should:

- update Mr B's credit files to remove the missed payment recorded for April 2021
- pay £1,150 to Mr B as it offered to do. It can deduct any amounts already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 July 2022.

Ruth Stevenson  
**Ombudsman**