

The complaint

X complains about the impact of an incorrect record on their credit file which was added by Barclays Bank UK PLC.

What happened

- X was in the process of buying a property. They say the sale fell through because Barclays had incorrectly logged a “negative marker” on their credit file.
- X was able to complete the property sale at a later date once Barclays rectified its mistake. But in the meantime, the value of the property had increased. And X incurred additional costs, including negotiating with the seller, and accessing their credit file.
- X complained to Barclays and asked for compensation. In summary, they asked for Barclays to refund:
 - The retainer they paid the seller, to hold off pulling out of the sale (£2,000).
 - The difference in purchase price between their original accepted offer and what they ended up paying to complete the sale (£10,000).
 - The Stamp Duty now payable because of missing the original deadline (£3,000).
 - The additional amount of deposit they’d been required to provide (£1,500).
 - The fees for accessing their credit file (£29.98).
- Barclays partially upheld X’s complaint. It offered to refund the Stamp Duty (subject to proof of payment) and credit file fees and offered £700 compensation for the distress and inconvenience caused (totalling £3,729.98). But it didn’t refund any further fees associated with the property sale, as it said it was X’s choice to proceed with the purchase.
- X didn’t agree with Barclays’ response and referred the complaint to our service.
- Barclays said it believed the complaint was outside of our service’s jurisdiction because X referred the complaint too late following its final response letter in October 2021.
- Our investigator told Barclays that X let our service know of their intention to refer their complaint in December 2021. So, they had referred it in time for us to consider.
- Barclays didn’t respond, so our investigator proceeded to investigate the complaint. Our investigator concluded that Barclays needed to do more to put things right. They concluded Barclays needed to pay 8% simple interest on the stamp duty and credit file fees. And they concluded Barclays should reimburse X the £10,000 difference in purchase price as they were persuaded that but for Barclays’ error, X had shown they could’ve purchased the property for £10,000 less.

- X accepted our investigator's findings. Barclays didn't respond, so the complaint has been passed to me to make 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 agree with the conclusions reached by our investigator for these reasons:

- It's not in dispute that Barclays' error has impacted X here. And I acknowledge it has already offered to reimburse some of X's costs to try and put things right.
- With regard to the Stamp Duty and credit file fees, it's clear that subject to proof of payment, X has been deprived of the use of these funds. So, I find it would be reasonable for Barclays to add 8% simple interest to these payments in line with our service's general approach. And this should be from the date X made each of the payments, to the date of settlement.
- I've considered the impact of Barclays' error and I find it's offer of £700 compensation for the distress and inconvenience caused is fair and reasonable in the circumstances.
- X's retainer isn't a loss that I can directly link to Barclays' mistake. So, I won't be asking it to reimburse X for this. And I'm not persuaded X has lost out through the increased deposit as this ultimately forms part of the property's equity now.
- However, I am persuaded that Barclays' error did have a direct impact on X's ability to purchase the property for a lower value. I say this because X's evidence clearly shows that it was more likely than not, they would have been able to buy the property for £10,000 less, had the error on their credit file not caused the sale to initially fall through. X has shown evidence their lower offer had been accepted, subject to contract. So, I find Barclays' error has sufficient causation for X ultimately paying more for the same property they always intended to buy.

For these reasons, I uphold this complaint.

My final decision

My final decision is that this complaint should be upheld. In order to resolve X's complaint, Barclays Bank UK PLC must:

- Pay X £10,000 for the difference in the property purchase price.
- Pay X 8% simple interest on the Stamp Duty and Credit reference fees, subject to proof of payment. This must be paid from the date of payment to the date of settlement.
- Pay X £700 compensation for the distress and inconvenience if Barclays has not done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 12 August 2022.

Dan Preveet
Ombudsman