

The complaint

Mr B is unhappy that Barclays Bank UK PLC (Barclays) incorrectly reported that he had arrears on his Buy-to-let mortgage. He says this caused him unnecessary worry and inconvenience and he is unhappy with the customer service he received in relation to the issue.

What happened

In August 2021, Mr B was holiday when he received a voicemail from someone at Barclays asking him to call in relation to a personal matter. Mr B says the message was unclear and he couldn't make out the telephone number given to call back on. He had his Barclaycard with him and thought the call might be something to do with that, so he rang Barclaycard.

After eventually getting through to speak to someone, Mr B was informed by the Barclaycard representative that the call had nothing to do with Barclaycard. Mr B was concerned about the security of his card, but was advised he didn't need to cancel it.

After returning home, Mr B contacted Barclays again and raised a complaint. He realised from correspondence he'd received that the voice message had been in relation to arrears on his Buy-to-let mortgage, which was incorrect because he had always made his payments in full and on time. In October 2021, Barclays issued a final response letter. It conceded the arrears should not have been recorded and reported. It apologised, removed the arrears, repaired Mr B's credit file and offered him £300 to reflect what had happened.

Mr B remained unhappy and contacted Barclays with a view to it increasing its offer of compensation. He said that the call he made from abroad alone had cost him nearly £100. Barclays didn't increase its offer. Mr B wrote a letter of complaint in December 2021 complaining about the way things had been handled, including the poor customer service he'd received. He sent his complaint letter by recorded delivery.

After not receiving any acknowledgment of his complaint, Mr B rang Barclays in January 2022 to find out what was happening. The Barclays representative he spoke to said he couldn't find any record of the complaint letter, despite Mr B pointing out that the letter had been signed for and therefore definitely received. Later in the call, the Barclays representative swore at Mr B before putting the phone down on him.

Unsurprisingly, Mr B was very unhappy and he wrote another letter of complaint, addressed to Barclays' Chief Executive Officer. In addition to the previous issues he'd raised, he complained that Barclays hadn't logged or acknowledged the complaint made in December 2021, despite the letter having been signed for. He was also appalled at how he'd been spoken to during the last telephone call and said that it wasn't the first time a Barclays representative had put the telephone down on him.

Barclays issued another final response letter in March 2022. It clarified that one of the other representative's hadn't put the telephone down on him but that they ought to have called Mr B back when the call dropped out. Barclays apologised to Mr B for the poor customer service he had received, including being sworn at. It increased the offer of compensation to

a total of £475.

Mr B remained dissatisfied and referred his concerns to the Financial Ombudsman Service. He said that what Barclays had done in terms recording and reporting the arrears was tantamount to calling him a thief and had caused much unnecessary stress and worry.

An investigator looked into things and said that, considering everything that had happened, Barclays should pay an additional £75 compensation bringing the total to £550. They also thought that Barclays should pay an additional £100 to cover the cost of the call Mr B had made from abroad, bringing the total amount to £650. Barclays said it accepted the findings. Mr B said he agreed with the investigator's stance and reasoning, but that he thought the amount of compensation should be higher.

As the matter couldn't be resolved, the case 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.

Having done that I uphold Mr B's complaint. However, I have reached the same conclusion as the investigator about the level of compensation that needs to be paid.

Before I explain why, I want to set out my role as an ombudsman. It isn't to address every single point that's been made to date. Instead, it's to decide what's fair and reasonable given the circumstances of this complaint. And for that reason, I'm only going to refer to what I think are the most salient points when I set out my conclusions and my reasons for reaching them. But, having read all of the submissions from both sides in full, I will continue to keep in mind all of the points that have been made, insofar as they relate to this complaint, when doing that.

Barclays has accepted it has made a number of mistakes and there are no fundamental disputes about what's happened. So the only thing I need to decide is what Barclays needs to do to put things right.

In terms of the level of compensation, this is not an overly scientific exercise, but I consider that £550 is an appropriate amount to reflect the impact Barclays' misreporting of arrears and subsequent customer service failings had on Mr B. I consider it is in line with our general approach to compensation amounts which is available on our web-site and which both parties are already aware of.

Whilst I don't agree that the mis-reporting of arrears meant that Barclays was calling Mr B a thief, the situation clearly caused him quite a bit of worry and inconvenience – particularly given the interruption to his holiday and the uncertainty the voicemail caused.

The subsequent customer service issues compounded matters and whilst Mr B could have contacted the Financial Ombudsman Service before he did, they did flow from Barclays' original error in terms of the arrears and undoubtedly caused additional upset and inconvenience. I appreciate that Mr B thinks a higher level of compensation is warranted, but I don't agree.

Mr B has consistently said that the call from abroad cost him nearly £100 by itself and he has provided some cost details to back this up. Given that he only made the call because of the voicemail he received (which was as a consequence of Barclays' error), I consider Barclays does also need to pay this amount to Mr B, because it is a cost he wouldn't have

incurred but for the arrears error.

Putting things right

Barclays needs to pay Mr B a total of £650, comprising £550 compensation and £100 to cover the cost of the call from Albania and similar. If Barclays has already paid Mr B some of this, it need only pay him an additional amount to bring the total figure to £650.

My final decision

My final decision is that I uphold Mr B's complaint about Barclays Bank UK PLC and I direct it to do what I've set out above under 'Putting thing right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 October 2022.

Ben Brewer
Ombudsman