

The complaint

Ms H complains that Barclays Bank UK PLC (trading as Barclaycard) incorrectly suspended her credit card account.

What happened

Ms H says that she contacted Barclaycard in March 2022 to ask why she could not access her account. She says she was incredibly shocked to discover that her account had been suspended as Barclaycard had been informed of her death by a third party. Ms H says she asked Barclaycard several times for a copy of the letter as she was concerned for her, and her children's, welfare, but was then told it had been destroyed.

Barclaycard upheld Ms H's complaint. It said that it suspended her account on receipt of notification of Ms H's death from a third party. It initially paid Ms H £100 for the distress this caused to her. It explained that it was unable to confirm more information, or the identity of the third party, due to data protection issues. Barclaycard subsequently offered additional compensation of £250 as it explained that:

- The letter it received made no reference to Ms H's death and had been processed incorrectly;
- The account had been wrongly suspended;
- The letter had not been destroyed, but contained personal information that could not be shared;

Ms H responded to this additional information, in summary, to say:

- Barclaycard lied to her when she initially complained and that she's never had an apology;
- She'd endured four months of mental anguish, following an abusive marriage, and had referred the matter to the police based on what Barclaycard had told her incorrectly;
- She feared she was at risk of harm from her ex-husband;
- An innocent man could have been arrested, or even charged, and it could have affected his career;
- The customer service she received was insensitive.

Our investigator recommended the complaint should be upheld. He found that Barclaycard's initial error, and subsequent customer service, had a significant impact on Ms H's mental health and wellbeing. He considered total compensation of £500 was more appropriate to the level of distress caused to Ms H.

Barclaycard accepted the investigator's view.

Ms H responded to say, in summary, that Barclaycard has never fully explained its actions and that she still feels the compensation is inadequate for her immense distress.

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.

There is no dispute that Ms H's ex-husband sent a letter to Barclaycard and requested the account to be suspended. I have seen the system screens and I'm satisfied they show that Ms H was temporarily marked as deceased. As it has now been clarified that the letter did not contain such information, I find it more likely than not that an agent made a mistake when amending the system.

Barclaycard has confirmed that Ms H was the sole account holder, and her ex-husband an additional card holder, and, as such, he had no authority to suspend the account. However, as the system erroneously showed Ms H was deceased, its processes for such a situation would have led to the account being suspended and it seems a standard letter was sent. Had the initial letter been correctly processed, I'm satisfied that Barclaycard would have informed Ms H's ex-husband that it could not suspend the account based on his instructions.

Ms H says she called Barclaycard on a number of occasions and was consistently told the same, incorrect, information about the content of her ex-husband's letter – namely that he'd said she was deceased. Barclaycard has now confirmed that when Ms H called, its call operatives would not have been able to see the letter as it was stored in a different system. It says they would have seen a deceased marker on the account and a note to say the customer was deceased. Whilst this is, at least, an explanation for the perpetuation of the incorrect information, I don't consider it is an excuse for the insensitivity Ms H says she encountered, nor the ill-researched initial response to her complaint that maintained the letter said she had died and had subsequently been destroyed.

As Ms H had just left an abusive relationship, I have no doubt that Barclaycard's errors caused her significant distress for an unnecessarily long period of time. It was four months before Barclaycard acknowledged that the letter did not say Ms H had died and, even then, it was after the involvement of this service.

I can understand why Ms H believed that Barclaycard, and its agents, may have deliberately deceived her, but based on the evidence I have seen, I don't think that's likely to have been the case. However, I do find the actions of Barclaycard caused Ms H unnecessary suffering, especially given her circumstances:

- For four months she believed her ex-husband had reported her as deceased and was naturally concerned for the welfare of herself and her children;
- Her account was suspended incorrectly when it was her main source of expenditure;
- She repeatedly received incorrect information about the content of the letter;

- Barclaycard responded to her complaint and compounded the errors, including telling her, incorrectly, that her ex-husband's letter had been destroyed.

However, although I do not consider Barclaycard deliberately misled Ms H, I find its actions, subsequent to its initial error, were far below the levels of customer service Ms H is entitled to expect. As such, I'm satisfied it should compensate her for the four months of undoubted significant mental anguish.

Barclaycard has now agreed to this service sending Ms H a redacted copy of the original letter which I hope goes some small way to further reassure her of its contents. Having taken everything into account though, I find total compensation of £500 is fair and reasonable in the context of this complaint.

My final decision

My decision is that I uphold Ms H's complaint. Barclays Bank UK PLC (trading as Barclaycard) should pay Ms H an additional £400 for the distress its actions caused to her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 23 November 2022.

Amanda Williams
Ombudsman