

The complaint

Mr and Mrs K complain that Barclays Bank UK PLC added a debt marker to their account.

What happened

Mr K says he was unable to renew his Barclays travel insurance due to a debt marker applied to a mortgage account. He says that must have affected his credit rating and meant that he and Mrs K didn't have travel insurance for a planned holiday. Mr K says he also lost out on other travel benefits and would like appropriate compensation for those losses as well as an explanation about what took place. He says his other mortgage account was in credit in any event.

Barclays says the mortgage account was in arrears in April 2020 and it wrote to Mr K about it. It says it added an internal debt marker as a result which it's entitled to do. Barclays says it can't move money from the other mortgage account as Mr K suggests but accepts it didn't remove the marker as agreed and accepts it didn't call Mr K as promised. It has offered £200 compensation for that part of the complaint and says Mr and Mrs K can apply for travel insurance.

Mr and Mrs K brought their complaint to us, and our investigator thought the compensation offer appropriate. The investigator thought Mr and Mrs K had chosen not to take out the Barclays travel insurance due to entirely different reasons related to Mrs K's pre-existing issue. The investigator didn't think there any evidence of an impact to Mr and Mrs K's credit rating.

Mr and Mrs K do not accept that view and say that the compensation offer does not cover the loss of account benefits. They question why the marker was placed on the account and say there may have been an impact on their credit score.

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 have come to the overall view that Barclays has made a fair and reasonable compensation offer in respect of the late removal of the marker and the failure to call Mr K. But I don't require it to compensate Mr and Mrs K for the loss of the travel insurance or its benefits as I find it was Mr and Mrs K's decision not to renew the policy for entirely unrelated reasons.

I appreciate Mr K says his mortgage account had been overpaid and Barclays could have transferred money to the other account. But I'm satisfied it was up to Mr and Mrs K to ensure the other mortgage account did not fall into arrears and their responsibility to manage it. It follows that I don't think Barclays made a mistake or acted unfairly by applying a debt marker.

I appreciate Mr and Mrs K question if that marker affected their credit score. I can't see that

either of them has provided a copy of their credit file and have not seen any evidence the marker did affect their credit score. In any event I'm satisfied that even if a credit score had been affected then I couldn't fairly hold Barclays responsible for that, for the reasons I have explained. I think it likely the marker was an internal marker in any event.

There is no dispute here that Barclays ought to have removed the marker from its systems earlier than it did and ought to have called Mr K as agreed. I'm satisfied that Barclays has fairly apologised for that and offered what I think is a fair and reasonable compensation offer. I don't think Mr and Mrs K suffered any financial loss as a result of those two mistakes and don't think their impact was significant to justify further compensation.

The main part of this complaint is about the loss of the travel insurance and its associated benefits. I'm satisfied that Barclays has made clear that Mr and Mrs K could apply for travel insurance, but they chose not to do so due to cover issues. I'm satisfied that was Mr and Mrs K's choice and has nothing to do with the debt marker. It follows that I can't fairly order Barclays pay compensation to Mr and Mrs K for the loss of the travel benefits when they chose not to take out Barclays policy. I make clear to Mr and Mrs K that I can't consider any complaint here about the cover issues and the change in policy requirements.

Overall, I'm satisfied Barclays has made a fair and reasonable compensation offer for part of this complaint.

Putting things right

Barclays should pay the £200 compensation it has fairly agreed to pay if Mr and Mrs K accept this decision.

My final decision

My final decision is that I uphold this complaint in part and order Barclays Bank UK PLC to pay Mr and Mrs K £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to accept or reject my decision before 18 March 2023.

David Singh
Ombudsman