

The complaint

Mr and Mrs N complain that Barclays Bank UK PLC recorded that they had missed a payment on their mortgage when that was not the case.

What happened

Mr and Mrs N had a mortgage with Barclays. The mortgage matured in January 2020 and was paid off in April 2020. Mr and Mrs N say that they applied for a new mortgage in the summer of 2022 but that a credit search showed up a missed payment. They say that Barclays agreed that this was in error and had it removed. Later Barclays said that it hadn't put any adverse information on the credit file and suggested that it might be an error with the credit reference agency.

Our investigator was satisfied that Barclays had put the adverse data on the credit file, but had it removed when Mr and Mrs N informed them of the error. Our investigator recommended that this complaint should be upheld and felt that compensation of £300 was appropriate in the circumstances. Barclays agreed but Mr and Mrs N asked for a review saying that the compensation was too low.

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.

Although from the information supplied to me Barclays seems to have accepted in September 2022 that it had recorded incorrectly that Mr and Mrs N had missed a payment on their mortgage, when Mr and Mrs N brought a complaint it was unable to confirm that and felt that an error had been made by the credit reference agency. Our investigator looked into this and set out clearly in his view why it was likely that Barclays had made the initial error. I note that Barclays has accepted our investigator's view so I'm upholding Mr and Mrs N's complaint that Barclays recorded that they had missed a payment for one month when in fact they didn't.

The question is what compensation flows from that. An error was made, and it must have been annoying for Mr and Mrs N to find out about the error and to have had to contact Barclays to have it rectified. But it was rectified fairly swiftly. I've seen a medical report that Mrs N was suffering stress at this time related to a tenant not paying the rent and I'm sure she may have felt under financial pressure because of that. But this is a different matter and I note that the doctor doesn't refer to the credit file issue as a source of stress in the medical reports I've seen. I assume that whatever financial application Mr and Mrs N were making at the time could then have continued and as the matter was rectified swiftly I can't fairly award compensation as if this had a major effect on their financial future. It's unfortunate that Barclays seems to have given incorrect information in relation to the complaint and I understand that must have been annoying for Mr and Mrs N. But on balance, I believe that the figure suggested by our investigator of £300 represents fair compensation for Mr and Mrs N's distress and inconvenience and I will make an award in that amount.

Putting things right

Barclays Bank UK PLC should pay Mr and Mrs N £300.

My final decision

I uphold this complaint and require Barclays Bank UK PLC to pay compensation to Mr and Mrs N as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N and Mrs N to accept or reject my decision before 1 November 2023.

Gerard McManus
Ombudsman