

The complaint

Ms H has complained that Barclays Bank UK PLC (“Barclays”) provided her with inaccurate information about how insurance claims would be dealt with as part of a Tech Pack.

What happened

Ms H had a Tech Pack, that included mobile phone and gadget insurance cover. Ms H says that in August 2022, she went to cancel her Pack, but when she did so, a pop-up appeared that said:

- “Removing this Tech Pack means you’ll lose the benefits it provides...*
- On Claim acceptance, we’ll replace your phone at your doorstep within 24 hours...”*

Ms H says that having her phone replaced quickly if she made a claim was important to her and because of this, she chose to keep the Tech Pack rather than take out insurance elsewhere.

In September 2022, Ms H made a claim using the Tech Pack mobile phone insurance cover, however, she says that it took a number of days for a replacement phone to be sent to her rather than 24 hours. Ms H says that Barclays’ mis-sold her the policy and she would like a full refund from April 2021.

One of our adjudicators assessed the complaint, and she did not uphold the complaint. Ms H disagreed with the adjudicator, so the matter was referred for an ombudsman’s decision.

On 24 July 2023, I issued a provisional decision in which I explained that I was minded to uphold Ms H’s complaint in part. I have included an extract of my provisional decision below and it forms a part of this decision:

“What I’ve provisionally 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.

We’ve explained our approach to complaints about packaged accounts on our website and I’ve used that to help me decide this complaint. And having considered everything, I’m currently minded to uphold some of this complaint. I will explain why.

When raising this complaint, I note that Ms H has used the term ‘mis-sold’. But actually, looking at her complaint, it doesn’t seem that Ms H is complaining about how the Tech Pack was sold. Instead, it seems that Ms H is unhappy with what was said in the cancellation pop-up in August 2022, and possibly about the change in insurer for the Tech Pack in April 2021 - both of which occurred after the Pack had been sold.

Did the cancellation pop-up contain incorrect information?

Having reviewed the evidence provided by the consumer (a screenshot from September 2022), I can see that it does say that upon claim acceptance, the insurer will replace Ms H's phone "at your doorstep within 24 hours".

And given that the screenshot provided looks to have been from September 2022, I think it's more likely than not to have been the same in August 2022.

I have looked at the policy wording, and other Tech Pack documents that were in force in August 2022, but I can't see anywhere that the insurer has agreed to settle claims as above. Indeed, looking at a notice of variation letter sent to Ms H in May 2019, this looks to have been part of the terms and conditions of how the previous insurer settled claims (this was changed in April 2021).

Therefore, based on everything I have seen, I think that Barclays' cancellation pop-up contained incorrect information, that looks like it wasn't fully changed to explain the cover provided by the 'new' insurer. And given the apparent importance to Ms H on having phone insurance that provided quick repairs or replacements, I think that Ms H relied on this information when she decided to keep the Tech Pack in August 2022, when she otherwise would have cancelled it, if the pop-up hadn't said there was a 24-hour doorstep phone replacement service.

So, because I currently think Barclays misled Ms H into keeping the Tech Pack, I have to consider what, if anything, Barclays needs to do to put matters right.

Should Barclays refund the Tech Pack fees?

Ms H has said that Barclays should refund all of the Tech Pack fees from April 2021 i.e. from when the insurer changed. But I don't think Barclays needs to do so in this case.

I say this because Barclays has provided evidence to show that it had written to Ms H in February 2021 to tell her about the changes being made to the Pack.

Barclays has also provided evidence to show it was sending annual eligibility statements, including one sent in January 2022. Therefore, although Ms H says she didn't receive them, Barclays has provided evidence to show that it did what it needed to do to tell Ms H about the changes being made to the Tech Pack in April 2021. And I can't reasonably hold Barclays responsible if the letters were lost in the post, or if Ms H mislaid the letters. So I don't think Barclays should refund the Tech Pack fees from April 2021, because I think it did inform Ms H about the change in insurer and the changes in cover.

I have considered whether there should be a refund of Tech Pack fees from when Ms H was given the incorrect information in August 2022. However, Ms H made a claim on the Tech Pack cover. And she would've had to pay for phone insurance with a different insurer anyway, if she had cancelled the Pack. So I don't think Barclays should refund the Tech Pack fees from August 2022 either.

I do however think that Barclays should pay compensation for the frustration and loss of expectation that Ms H had when making a claim. I say this because Ms H's frustration and inconvenience was due to how long it took for her claim to be settled. And this was mainly caused by Barclays incorrectly telling her that her phone will be replaced at her doorstep within 24 hours of the claim being accepted – when that

was not the level of service actually provided by the Tech Pack policy terms and conditions.

So, I think that Barclays should pay Ms H £50 for the distress and inconvenience caused when she made a claim on her policy.

However, I would like to explain that if Ms H believes that the insurer (or its third-party claims handler) didn't deal with the claim correctly or reasonably based on the actual terms and conditions of the policy at the time, this is something she will need to complain about to the insurer. This is because I can't hold Barclays responsible for how the insurer dealt with the claim.

Putting matters right

So, based on what I have seen so far, I currently think that Barclays should pay Ms H £50 for the distress and inconvenience she experienced due to Barclays providing her with incorrect information about how claims would be handled under her Tech Pack."

After sending my provisional decision, neither Ms H nor Barclays responded.

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 reconsidered everything in this complaint, as no new information has been provided, I see no reason to change the outcome I reached in my provisional decision.

So in summary, I think that the cancellation pop-up that Ms H saw when she went to cancel her Tech Pack, likely contained incorrect information. I think it is the case that this information led to Ms H keeping the Tech Pack when I don't think she would've done, had the correct information been displayed.

I did consider whether a refund of the Tech Pack fees is warranted, however I don't think they are because Ms H was still covered by the insurance included with the Pack and she would've paid for phone insurance elsewhere anyway, had she cancelled the Pack.

But I do think that Barclays should pay Ms H £50 for the distress and inconvenience she experienced when making a claim under the Tech Pack. This is because Ms H's frustration and the inconvenience she experienced was largely caused by Barclays incorrectly saying that phones would be replaced at her doorstep within 24 hours of the claim being accepted – when that was not the level of service actually provided by the Tech Pack policy terms and conditions.

Putting things right

To put matters right, Barclays should pay Ms H £50 for the distress and inconvenience she experienced due to the incorrect information Barclays had likely provided her about how claims would be handled under the Tech Pack.

My final decision

Because of the reasons given above and in my provisional decision, I uphold this complaint in part and require Barclays Bank UK PLC to do what I have set out above, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 18 September 2023.

Thomas White
Ombudsman