

The complaint

A company which I'll call 'P' complains that Barclays Bank UK Plc caused them inconvenience when it incorrectly changed the name of their account.

The complaint is brought on P's behalf by their director, Mr M.

What happened

P held a business current account with Barclays.

P told us:

- They discovered in mid-April 2023, that Barclays had changed the company name on its system, despite no request from them.
- The name applied to their account is trademarked and therefore it is illegal for the company to use this.
- The error caused them embarrassment with their creditors.
- They made a complaint to Barclays when they discovered the error, but the bank then closed this without providing a response. Barclays did reopen the complaint but didn't provide a satisfactory response about why the error had taken place, and they weren't persuaded this was human error as the bank had said.

Barclays told us:

- It had undertaken a "Know Your Customer" review for P in November 2022. Mr M had confirmed that P didn't have a trading name, however due to human error, one of its agents had changed P's name on its system to include a "trading as."
- Once the error was identified, it had quickly updated its systems to correct this.
- It upheld Mr M's complaint and wanted to offer an apology for the error but hadn't been able to provide a full response to P's complaint before it had been brought to our service.
- It offered P £150 compensation and would provide a letter of apology explaining what had happened for the company to provide to their creditors to put things right.

Our investigator thought that Barclays offer was fair. He said that Barclays made an error in amending P's name after being told it was a franchise branch, rather than a trading name for the company. However, the bank had apologised and corrected this on the same day, so he thought the £150 compensation offered by Barclays was enough to put things right.

Mr M didn't agree. He said he was unhappy that the bank could do what it wanted with no consequences, so he asked for an ombudsman to review P's complaint.

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'm sorry to disappoint Mr M but there's not much more that I can add to what our investigator has said.

Mr M is unhappy as he says the bank can do what it pleases without consequences. However, our service isn't the regulator, and my role isn't to fine or punish a business for making a mistake, it's to look at the impact caused to a complainant and try to put them back in the position they would have been had the error not taken place. I would also add that our service does provide information about the complaints that we receive to the regulator, the Financial Conduct Authority, to review. It is then for the regulator to decide what action, if required, is taken as a result of this information.

In this case, Barclays has admitted that it made an error and amended P's name incorrectly. However, I've seen that it also apologised for this, resolved the issue within a short period of time and offered P £150 compensation along with a letter of apology/explanation of the error. I think that's enough to put things right. I recognise Mr M's frustration about the circumstances here. However, I've reviewed Barclays records and I'm satisfied that this was simply human error as the bank has explained.

I also understand that Mr M doesn't feel the £150 compensation is sufficient for the inconvenience caused to P. However, he hasn't provided any evidence to show that there was a significant impact to P. Furthermore, Barclays resolved the issue quickly once it was aware of the issue and has offered to provide P with an explanation in writing, should P need this for its creditors or if there are any issues regarding the trademarked name being applied in error. It's not in dispute that Barclays made a mistake when it amended P's account name. However, I think the bank has made a fair offer to put things right.

I acknowledge that Mr M is also unhappy about the time it took Barclays to respond to P's complaint. However, complaint handling isn't an activity that we cover so I'm unable to consider this part of P's complaint.

Putting things right

I think it's clear that Barclays' error of amending P's account name caused them inconvenience. To put things right I think Barclays should pay P £150 compensation and provide an explanation in writing which P can show to their creditors if required - both of which it has already offered.

My final decision

Barclays Bank UK Plc has already made an offer to pay P £150 and provide a letter of apology and explanation for the company to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that Barclays Bank UK Plc should settle the complaint in the manner set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or

reject my decision before 17 May 2024.

Jenny Lomax
Ombudsman