

## **The complaint**

Mrs T complains that Barclays Bank UK PLC applied a deceased marker to her account in error.

## **What happened**

Mrs T had a range of accounts with Barclays.

In April 2022 she became aware that a direct debit had been returned unpaid from her account. She contacted the third party company she had tried to pay, and was told that Barclays had informed them she was deceased.

Mrs T contacted Barclays and it initially refused to speak to her, as it said her account was marked as deceased and was closed. So she visited her local branch who agreed an error had been made. Barclays' bereavement team were contacted and informed Mrs T that the removal of the deceased marker and a reversal of the account closure would take 48 hours.

In mid-August 2022 Mrs T was again marked as deceased by Barclays. On this occasion she was also removed from the joint current account shared with her husband, from a joint mortgage account also shared with her husband and from a business account. Her credit card account with a third party provider was also closed.

At around this time Mrs T tried to open a bank account with other high street banks but was unable to, as various credit reference agencies (CRA) had been incorrectly informed that she was deceased.

Mrs T complained to Barclays at the end of August 2022 about the various inconveniences of having the deceased marker against her name. These included not being able to open an account, the impact on her credit file and having to rely on others to pay for necessities.

In October 2022 Barclays sent Mrs T a new debit card and she was able to access online banking.

Barclays responded to Mrs T's complaint in mid-October. It apologised for having registered her incorrectly as deceased and offered £300 compensation.

Barclays explained that on the first occasion Mrs T had been marked as deceased, this was because it had been provided with a death certificate which had the same name and date of birth as Mrs T. This was rectified at the beginning of May 2022. It said that in August 2022, Mrs T's account was once again linked to the deceased individual, which it said was due to human error.

Barclays told Mrs T that CRAs had been informed by it that she was deceased, which was why she had difficulty applying for other bank accounts. It said it had contacted the CRAs to correct this, which would take 6-8 weeks. It also apologised for the lack of contact from one of its customer care team.

Mrs T remained unhappy and so brought her complaint to this Service. She told us that when this first happened in April 2022, she wasn't able to log onto online banking and her debit card only worked occasionally. So she had to rely on using a joint account she had with her husband. She said she was unable to access her credit card account online. Mrs T told us that, sadly, her father passed away during this time and she had to visit a Barclays branch to request cash to pay for her father's funeral, as she didn't have access to online banking or debit cards at that stage. Mrs T also provided documentation that showed various direct debits were cancelled and the inconvenience this caused.

Our Investigator didn't uphold Mrs T's complaint. She said it was clear Barclays had made errors here but she felt the £300 already offered to compensate for the distress and inconvenience experienced by Mrs T was fair.

Mrs T did not agree with what our Investigator said and provided information that showed Barclays had not, in fact, reversed the deceased marker in full and hadn't added her back on to some accounts. Mrs T also said she'd been paying a monthly fee in order to monitor credit file activity. She also said her account with Barclays was a platinum account, but the platinum status had been removed following the reversal of the deceased marker. She was also concerned that her overdraft facility had been removed from her personal account.

Our investigator forwarded Mrs T's ongoing concerns to Barclays, and it made the necessary adjustments to her joint mortgage account. Barclays also explained that it stopped offering platinum accounts, with the overdraft this provided, to consumers some time ago, so it couldn't be reinstated. It also said that given the amount of time that had passed, Mrs T would need to make a new application for an overdraft.

As Mrs T didn't agree with what our Investigator said, this came to me for a decision.

I contacted Mrs T and explained that this Service can't resolve the issue with her being unable to log onto her credit card account and she would need to make contact directly with the provider. I also asked Mrs T to provide evidence of the credit file subscription charges she had paid, which she did.

I issued a provisional decision on 8 March 2024 and said I intended to come to a different conclusion to that of our Investigator and award Mrs T additional compensation. I also said I intended to ask Barclays to reimburse Mrs T for subscriptions she paid for a service to monitor her credit file. I gave both parties the opportunity to respond.

Barclays responded and said it agreed with the outcome. Mrs T didn't respond in spite of numerous efforts made to contact her.

I am now in a position to issue a final decision.

### **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.

I can see that Mrs T remains unhappy as she said she still cannot access her credit card account online. However, I cannot deal with this particular complaint point here, as the credit card is not provided by Barclays. So, if Mrs T hasn't yet been able to contact the credit card provider to resolve the problem, then a separate complaint about not being able to access her account online will need to be made.

Both parties agree that Barclays made an error when it twice recorded Mrs T as deceased and so closed her sole accounts and also removed her name from the joint mortgage and current accounts she shared with her husband. Various CRAs were also informed that Mrs T was deceased and so this had an impact on her credit file. It's clear that it also took Barclays some time to properly sort this matter out, and Mrs T was still having problems when she brought her complaint to this Service.

I think it's important to note that this Service doesn't punish businesses for errors made, that is not our role. What we do is look at the impact the error in question has had on the consumer and, as is the case here, look at the distress and inconvenience this matter has caused and look to award a fair amount of compensation. We will also consider whether a consumer has suffered a financial detriment because of the error.

The main issue here is whether the £300 compensation already offered by Barclays to Mrs T is fair and reasonable compensation for the distress and inconvenience this matter has caused. And, having considered everything, I don't think it is. I think a fairer amount is £800. I'll explain why I say this.

I think it's fair to say that Barclays' error caused a good deal of distress and inconvenience to Mrs T's daily life over a sustained period of time. I understand that Mrs T's debit card was declined on numerous occasions, and she told us that this was embarrassing for her. It took some time to restore her access to online banking, and she made several attempts to move her account away from Barclays, but applications were declined for several months because of the deceased marker registered with CRAs. Mrs T also had to contact a variety of third party businesses to reinstate direct debits and, in the case of her personal health plan, she had to reinstate the policy itself. Mrs T also had to make several visits in branch, and numerous phone calls.

I've also taken into consideration that Mrs T's father passed away during this time and she wasn't able to make the necessary funeral arrangements using online banking or her debit card. Instead she had to visit the branch during what must have been a very stressful time to request money to pay for his funeral. And I can see that some issues remained unresolved when she brought her complaint to this Service. So, as I said, I think £800 compensation more fairly reflects the distress and inconvenience she experienced because of this matter.

Mrs T also opted to subscribe to a service that helped her monitor her credit file. She told this Service that she had a near perfect credit score prior to being marked as deceased, but her score was inexplicably low even after the error was rectified. So she opted to subscribe to the credit file monitoring service so that she could keep a close eye on her credit score.

Mrs T has provided evidence to show she paid a monthly fee of £14.99 for this service and I'm satisfied that it's fair to ask Barclays to refund the cost of any monthly subscription paid by her between September 2022, when she first subscribed, and January 2024, when I informed her that cost free options were available and signposted her to these.

I realise there are options available to Mrs T that might have cost less, or nothing at all, but I don't think she necessarily knew about these. In any event, it's the case that it's unlikely she would have felt she needed to monitor her credit file, were it not for Barclays' error and the time it took to resolve the matter. I think it's fair to say that she seemed to have lost faith in Barclays at that stage and wanted to take steps to ensure she could effectively monitor her credit file.

I also can't see that Barclays offered Mrs T any sort of support in terms of what she might expect while the deceased marker was being reversed – there was a lot for her to do and the impact was far reaching. If it had offered advice and support, perhaps Mrs T would have

known she could have monitored her credit file without having to pay a subscription charge. So given that I'm satisfied she took out this subscription solely as a result of Barclays' error, I think it's fair that Barclays should reimburse any subscriptions paid.

Mrs T was also unhappy that her current account was downgraded from a platinum account, and that the attached overdraft was removed. Barclays has provided information that shows it no longer offers a platinum account, and that it stopped offering it at around the time Mrs T was having problems with her account in August 2022. Financial institutions will often periodically review the products they offer, and it's for them to make their own commercial decisions about whether to withdraw products from the market. This Service won't interfere with that. So there isn't anything that can be done here to restore the bank account she had.

I know that Mrs T feels it's unfair that she should have to reapply for an overdraft, which Barclays said she needs to do because of the amount of time that's passed. While it's clear Barclays made an error here and this Service would usually expect a business to put a consumer back in the position they would have been in had an error not occurred, it isn't always possible to simply turn the clock back. An overdraft is flexible lending and so Barclays needs to be able to assess, for example, the affordability of any lending to consumers. So if a period of time passes when the overdraft doesn't exist, they cannot just reinstate the lending. They have an obligation to look at affordability again. So I won't be asking Barclays to reinstate the overdraft.

Mrs T was also concerned about whether a data breach had occurred. Nothing that I've seen suggests to me that her data has been breached – it's the case that Barclays made an error when it marked Mrs T as deceased, but that doesn't mean her data has been shared or in some way breached. And, from what I can see, her individual accounts haven't been affected by someone else having access to her information. But if Mrs T wants this issue looked into in more detail, then she would need to contact the Information Commissioner's Office to see whether they would look into this for her.

### **Putting things right**

- Increase compensation to a total of £800.
- Reimburse any monthly subscriptions paid between the beginning of September 2022 and the end of January 2024 in relation to the credit file service.

### **My final decision**

I uphold this complaint and require Barclays Bank UK PLC to put things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 19 April 2024.

Martina Ryan  
**Ombudsman**