

The complaint

Miss E complains Barclays Bank UK PLC trading as Barclaycard incorrectly merged her details on her credit card account with another person. This person was in an Individual Voluntary Arrangement (IVA), so it had a very significant impact.

What happened

Miss E has told us she tried to log on to her online account on 20 January 2023 but wasn't able to. The same day she called Barclaycard, and was told she'd applied for an IVA, but she hadn't. A few days later, Miss E got a copy of her credit file, and saw it'd been merged with another person. This meant all of their debts, including a Default, had been registered against Miss E.

Between then and 22 May 2023 Miss E has detailed numerous phone conversations where she'd asked how this was allowed to happen. And during this time she repeatedly asked for her complaint to be acknowledged in writing and for call backs to happen – but these didn't happen when they were supposed to. Miss E also mentioned her mortgage costs were extra due to these problems.

On 22 May 2023 Barclaycard said prior to a conversation on 10 May 2023, they'd checked and the Default which had been registered had been removed by the three credit reference agencies (CRAs) it'd been reported to. They'd arranged to credit £3,029.52 to Miss E's account to cover the additional cost of the mortgage for the next two years. And although Miss E's account was reinstated, they were aware she couldn't use it for three months. Separately, they also acknowledged Miss E had called a lot, been given conflicting information, and some calls weren't handled well. In total they paid £750 compensation for this.

Miss E didn't think this was enough to reflect the impact this error had on her and asked us to look into things. She also mentioned she couldn't transfer her existing credit card debt on to a 0% interest rate deal.

One of our Investigators did so and found Barclaycard had done enough to put matters right, so he didn't recommend any further compensation. He also said he didn't think Barclaycard were responsible for the 0% interest rate deal not going through, as lenders could turn down applications for lots of reasons.

Miss E didn't agree with this. In summary she said:

- This should have been resolved within eight weeks, as but as at her reply in November 2023 she could still see the other person's details
- She's had to be referred to hospital for the impact this situation has had on her

Our Investigator still didn't think further compensation was due and clarified the reason the other person's details may still be showing is because Miss E wasn't going direct to the CRA. As Miss E didn't agree, the complaint's been passed to me to decide.

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.

As a starting point there is no dispute over 'what' happened – Barclaycard made a very significant error and it's had a big impact on Miss E.

I can see she's asked how this was allowed to happen. But, my role isn't to get answers for issues that have happened, it's to consider whether Barclaycard have done enough to put things right.

To help me decide that, I'll firstly consider the financial loss Miss E has mentioned – the mortgage deal, and the 0% interest rate on her credit cards.

Miss E has said Barclaycard put the mortgage payments issue right – as they've paid her for the extra payments she was due to incur for the next two years. This isn't in dispute, and I've seen nothing to suggest that's unfair, so I'll move on.

For the credit card balance transfers this isn't something I'd hold Barclaycard responsible for. Lenders can and do turn down applications which, at face value, should meet the criteria. When investigating, there are often reasons customers won't necessarily realise – so, in the circumstances, I can't say categorically Barclaycard's error would been the reason why Miss E may not have been able to transfer her balance.

Turning now to the compensation paid by Barclaycard. It's not in dispute they've made many errors, and it's particularly disappointing how long it took them to properly respond to Miss E's complaint. Initially, it seems they didn't really appreciate the severity of what'd happened, but Miss E's diligence in pursuing this helped them realise and at least eventually provide her with an appropriate response.

Miss E shouldn't have had to make as many calls as she did, spell it out for Barclaycard, nor constantly chase them up to do the right thing, and I find it very disappointing it was necessary.

I also understand from what Miss E has told us it's had a very significant impact on her health. I want Miss E to know I've read everything she's told us, but I've not reflected it in the decision to protect her – as our decisions are published on our website. I'm genuinely sorry to have heard how this situation has made her feel, and I don't doubt in any way the distress and impact this issue has had on her.

Ultimately though, I'm required to consider and decide compensation based on what I consider is fair and reasonable in all of the circumstances. I think there has been a very significant impact on Miss E for what happened, and I think she's had to fight far harder than necessary to get Barclaycard to recognise that. Taking everything into account, I am satisfied £750 is a fair reflection of the impact on her.

Finally, I've noted Barclaycard have told us the other person's details have been removed. Miss E may wish to contact each of the CRAs directly, if she hasn't already, to get this confirmed. If there are any outstanding records, she should let our Investigator know, who can then flag these with Barclaycard to get them removed.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 25 April 2024.

Jon Pearce
Ombudsman