

The complaint

Miss M complains that Barclays Bank UK PLC sent her annual mortgage statement to her employer's address.

What happened

Miss M has a mortgage with Barclays. The business Miss M works for updated its address with Barclaycard. Miss M had a company Barclaycard. The change of address caused Miss M's personal mortgage statement to be sent to her work address as although there are two systems for Barclays customers, Barclaycard it says can't separate access to the same customer profile.

Miss M raised a complaint. Barclays gave her a couple of options but said it made no error. Miss M brought a complaint to us and made a complaint to the Information Commissioners Office ("ICO"). Subsequent to that Barclays offered her compensation of £200 but Miss M had to remove herself from the business card to prevent it happening again although this wasn't ideal for her work.

Our investigator's view

Our investigator thought that the offer by Barclays was reasonable redress for this complaint. Even though Miss M had concerns that someone could have opened her annual mortgage statement, in fact that did not happen, and the address details were now amended by Barclays. Miss M disagreed and asked for a review.

My Provisional findings

As my view of this complaint differed from that of our investigator I issued a Provisional decision which I set out below:

"I read the final response letter from Barclays to Miss M which attempts to explain what happened. It says that the company has two systems, one with Miss M's customer profile and one with her mortgage profile and that Barclaycard require access to the customer profile to generate yearly statements. So, when the employer changed its address, the address of its employee who had a corporate card also changed. But this is about an annual mortgage statement and so if the customer profile is changed and there is a separate system for the mortgage profile which is not accessed - why would the annual mortgage statement go to the employer's address? I didn't find Barclays explanation particularly enlightening.

I listened to a later call between an employee from Barclays and Miss M. The employee acknowledged that the final response letter wasn't very clear. My understanding from that conversation was that the customer profile and mortgage profile should be consistent and that a change to the address on the customer profile when the employer changed its address, caused a change to both. That led to Miss M's annual mortgage statement going to her employer's address which shouldn't have happened, and this complaint should be upheld.

I understand that Miss M's address has now been changed back on both systems. I recognise that this is no guarantee that it won't happen again if a similar situation arose, although from listening to Miss M on that call, her company may be deciding to use a different credit card company to avoid that. My role is to decide the appropriate level of compensation for Miss M for this particular incident.

In the phone call I listened to Barclays offered £200 compensation although I've seen the compensation referred to as £250 elsewhere. Of some significance in coming to my decision is that the letter containing the statement was unopened and its contents not disclosed. But I understand Miss M's concerns as if a letter is sent to an employer's address it would normally be opened as part of the company's processes including quality control monitoring of all incoming mail. Barclays failed to protect Ms M's personal information and her personal circumstances could have become known to her employer and/or work colleagues.

I consider that there are features here that make this incident unusual. Usually, letters sent by lenders to the wrong address are the result of human error such as when the customer notifies the bank of a change of address, and it isn't amended on the system. But there was no human intervention here that caused this.

Miss M didn't want her mortgage statement to go to her employer, but the system sent it there without her prior knowledge or authority. She described herself as "gobsmacked" and stressed. That's understandable given that her employers change of address on a credit card had caused Barclays to send her annual mortgage statement to her employer. Miss M was upset and disappointed by this and lost faith in her lender's commitment to keeping her personal information confidential. My reading of the file is that this is what concerns her most. When she did complain, Barclays provided information to her about what happened in the final response letter which wasn't very helpful. She had to press further herself to find out what happened. On balance, I believe that a fairer level of compensation would be £400. "

I issued my Provisional Decision and invited submissions from Miss M and Barclays before coming to my final decision. Barclays responded to say that they reviewed the provisional decision and have agreed to the proposed resolution to increase the awarded compensation to £400 as stated in the PD. Miss M said she's nothing further to add but hoped that Barclays are putting some provisions in place to avoid this happening to other customers.

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've considered the evidence on the file again and the responses from Barclays and Miss M. I thank them for their responses. In light of that, I believe that my Provisional Decision represents a fair outcome to this complaint, and I will be upholding Miss M's complaint and require Barclays to pay her compensation of £400.

My final decision

My decision is that I uphold this complaint and require Barclays Bank UK PLC to pay Miss M £400.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 7 May 2024.

Gerard McManus
Ombudsman