

The complaint

A company which I'll call 'E' complains that Barclays Bank UK Plc sent correspondence to an address it had never provided, which ultimately led to its loan account defaulting.

The complaint is brought on E's behalf by its director, Miss G.

What happened

E held a Bounce Back Loan ('BBL') with Barclays.

Miss G told us:

- She'd brought a previous complaint to our service about E's BBL, and when that complaint was investigated, Barclays had provided information which showed it had sent letters regarding E's BBL to an address which wasn't registered for the company. Therefore, Barclays had caused data protection breach.
- Barclays said it had written to E about missing repayments on the BBL and sent a formal demand. However, she hadn't received these letters as there had been issues with her former landlord interfering with her post.
- Barclays said E had registered the disputed address as a correspondence address, but this was untrue. She believed the data breach took place in August 2021, but she'd been unable to check the correspondence sent by the bank as her online access had been removed in April 2021.
- Barclays had penalised E for not responding to its letters and applied a default to the company's account. This was unfair as the letters hadn't been received as the bank had sent them to the wrong address, so she wanted the default removed and compensation for the inconvenience caused.

Barclays told us:

- In 2021, it had written to E about its BBL and sent correspondence to every address held on file for E and Miss G. It had sent a formal demand on 11 August 2021, and a holding letter on 25 August 2021 to the disputed address.
- It had sent the two letters to the disputed address as this was recorded on its system and had been updated in a local branch. It hadn't seen any evidence this address had been added incorrectly.
- Miss G had raised other complaints about E's BBL but these had been dealt with under a different complaint so it wouldn't comment on those as part of this complaint.

Our investigator acknowledged Miss G's comments about the default being applied but said that she couldn't comment on that as a decision had already been issued by an ombudsman. She said that she could only look at whether Barclays had added the disputed

address incorrectly and therefore caused a data breach. However, she didn't think that was the case, so she didn't recommend the complaint be upheld. She agreed that Barclays had sent letters to E at the disputed address Miss G had mentioned. However, this was to an address held on the bank's system, and Barclays had provided evidence showing that this address had been added to E's customer record as requested in July 2021 at a local branch. The investigator also said she'd listened to a call between Miss G and Barclays in August 2021 which had referred to this address being held by the bank. So, she thought it was likely that E had asked for the address to be added.

Miss G didn't agree. She said that she had never authorised the change of address for postal correspondence or the registered address. She said that she'd stayed at the address in question after the letters had been issued by the bank, and that she'd asked the bank to change E's address before the letters had been issued and it hadn't done so.

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've decided not to uphold it. I'm sorry to disappoint Miss G but there's not much more that I can add to what our investigator has already said.

The crux of E's complaint is that Barclays added an address to its system for the company, which Miss G says she did not provide. Miss G says as a result of this error by the bank, it sent confidential documents for E, including a formal demand for the BBL to this address. I recognise that Miss G says that she didn't provide this address to Barclays, and that by adding it, the bank caused both a data protection breach. However, I'm not persuaded that's the case.

I say that because Barclays has told us that the disputed address was added to its system in July 2021 at a local branch. I've also seen the audit trail showing the change of address, and Barclays told us the member of staff who made the change believed it was Miss G who had requested the change. I don't dispute that the bank could have made an error in changing E's address, but where there are conflicting testimonies between the parties, as there are here, I have to make my decision based on what I think was more likely. And I think on the balance of probability it's unlikely that Barclays would have added an address to its system that hadn't been provided to it by Miss G for either herself or for E, particularly when Miss G had resided at that address – albeit for a short period of time.

I'm also persuaded that Miss G asked Barclays to add the disputed address to its system for her, as I've listened to a call between Miss G and Barclays on 26 August 2021 where Miss G says that the bank would likely hold the disputed address on file for her as she'd been staying there. I acknowledge that Miss G says that there is no signed authorisation from her to say that she changed her address. However, I haven't seen any evidence that its Barclays process to request a change of address in writing or with a signature. And I'm satisfied that Miss G was also aware that she could change her address verbally as she discussed this on the call with the bank on 26 August 2021.

Miss G says she didn't ask for E's correspondence address to update by the bank, and I have no reason to doubt that's the case. But I am satisfied that Miss G asked Barclays to add the disputed address as a correspondence address, even if this was for her personally. The bank has told us that as part of its formal demand process, it sent the letters from August 2021 to *all* the most recent addresses it held for both Miss G and E. Given the importance and impact of the letters it was sending, I think this was reasonable. I also think it's worth noting here that Barclays general terms for business customers say that it's the

customer's responsibility to ensure that the bank holds up to date information for them, and that some laws and regulations do require that the bank sends information by post. The terms also say that Barclays will use the most recent postal address provided by a customer unless post is returned as 'undelivered'. But I haven't seen that's the case here, so I think it was reasonable for Barclays to continue to use the disputed address.

Miss G told us that the letters sent by the bank were incorrect as they weren't addressed to her, and that E only had a registered address on Companies House. However, the formal demand letters were sent to 'The Director' with E's details and the disputed address. So, I'm satisfied that the correspondence was sent correctly. In addition, a correspondence address wouldn't need to be showing on Companies House for it to be used by Barclays. It is common for businesses to have more than one address, for example a registered address for the business and a different correspondence address such as an accountant. So, I can't fairly say that Barclays behaved unreasonably in using the addresses it held on file for both E and Miss G, as E's director, in line with its process.

I acknowledge that Miss G says she'd updated her address with the bank around 15 August 2021 so even if the first letter had been sent correctly, the second letter shouldn't have gone to the disputed address. However, Barclays has told us that Miss G only updated her address on the call on 26 August 2021. I've seen the bank's records and there is no evidence that it received a letter from Miss G, and Miss G hasn't provided me with any proof that the recorded delivery letter was sent or received. So, based on the evidence available, I'm persuaded that Miss G didn't update her address with Barclays until after both letters had been sent.

I'm sorry to disappoint Miss G as I know she feels strongly about E's complaint. However, based on the evidence, I don't think Barclays has done anything wrong, so I won't be asking it to do anything more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 31 January 2025.

Jenny Lomax
Ombudsman