

The complaint

Ms T complains that Barclays Bank UK PLC has recorded incorrect information with credit reference agencies and has provided poor service when trying to get this removed.

What happened

In August 2024, Ms T wanted to open a second current account with Barclays to help her overpay on her mortgage. She used Barclays' banking app to do this, but there was an issue with opening the account and she was advised that a duplicate customer profile had been created when she tried to open the account. Barclays said that Ms T would have to visit a branch to rectify the issue.

Ms T visited a branch but the staff weren't able to immediately merge her customer profiles, which would sort out the problem for her. Ms T said that the staff told her she would be contacted on the same day, but she wasn't and so she contacted Barclays again and it told her to go back to a branch and didn't provide any other options.

At this time, Ms T checked her Barclays app and it looked like the issue with her profiles had been fixed and so she applied for another account again based on what she says Barclays told her. This application was also declined and information about this was recorded with credit reference agencies.

Eventually though, the original application was successful after Barclays took some internal steps to review an appeal to its rejection. Barclays says that Ms T was made aware of this on 15 August 2024. Ms T was unhappy with how Barclays dealt with this situation and complained to Barclays.

Barclays responded to Ms T's complaint to acknowledge that it could have given Ms T more detail about the situation when she called it and that a call was disconnected due to technical issues. It said that feedback had been provided to that member of staff and their manager and that it would credit £150 to compensate Ms T for the poor service she experienced.

But Barclays said that the issue with the duplicate profiles was fixed the day after Ms T went to branch and that it had no record of advising Ms T to make another application for an account when she did – so it wouldn't be changing what it had recorded with credit reference agencies about the accounts. Ms T remained unhappy and contacted Barclays again. It paid a further £50 to recognise the frustration caused but maintained that the information it was recording about the applications was correct and accurate.

Ms T was unhappy with Barclays' responses and brought her complaint to this service where one of our investigators looked into it. They felt that Barclays had acted fairly in what it had done to resolve Ms T's complaint. They found no record of Barclays incorrectly advising Ms T to apply for an account again when she did and so didn't feel that it needed to take any further action.

Ms T disagreed and felt this was an unsatisfactory outcome for a number of reasons. So the

complaint was passed to an ombudsman 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.

It's clear that something went wrong when Ms T tried to open another account to help her pay her mortgage here. It's equally clear that Barclays could have dealt with this situation much better than it did. Requiring Ms T to go to branch to fix the problem was very inconvenient for her and I've heard on one particular call from 9 August 2024 that the service she provided fell short of what she could have expected from Barclays.

Barclays has paid Ms T £200 (in total) to compensate her for the frustration and inconvenience caused by its shortcomings here and I think that's a fair and reasonable amount that recognises the impact this would have had and the distress and inconvenience caused.

What's left for me to decide is whether Barclays should change what it's recording about the second application with credit reference agencies. I've considered all that Ms T has said about this, but I haven't found any evidence to support that she was advised to apply for the account a second time when she did. Based on what Ms T says – it seems like she made this application based on what she saw on the app and what she'd been told.

But I've not seen or heard anything that supports that Barclays told her to make another application in this way. Barclays has provided us with a reasonable amount of information – including several calls - and nowhere in this, or any of its records, have I found any evidence to support Ms T's interpretation of what she may have been told.

Ms T says that had the merge of the accounts and customer profiles happened correctly then the second search wouldn't have shown. But from what I've seen, Barclays dealt with the problems around the duplicate customer profiles and the initial application as an ongoing situation when Ms T chose to apply again. She wasn't actually required to apply for the account again, as was later shown when the first application was successfully completed and the account opened when the initial issues were resolved. Nor can I see that Barclays suggested she needed to apply again.

I realise that Ms T says that a manager supported her version of events when she spoke to them, but my decision has to be independent and impartial. Without any evidence to support that she was told to apply for an account again – it wouldn't be fair for me to hold Barclays responsible for Ms T's decision to make another application when she did.

As a part of that application, Barclays recorded a 'hard search' with credit reference agencies. But that is an accurate reflection of what Barclays did. Ms T applied for an account and Barclays performed certain checks on her credit file as a part of this. I accept the context and circumstances that led her to apply for the account, but as I've said above, I've not seen any evidence to support that it told Ms T to make this application. So when she made it, I think it was entitled to treat it as a new application and record information about the processes it undertook. So it wouldn't be fair for me to expect Barclays to change this.

To fully understand the circumstances here we asked Ms T to provide further information about the impact of this second search. I've considered what her financial advisor has said about this being a potential impact on a recent application for a mortgage. But without being able to say that Barclays' recording of this information is a mistake, or is unfair – I don't think that's something I can fairly expect it to compensate Ms T for.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 24 April 2025.

James Staples
Ombudsman