

The complaint

Ms C complains that Barclays Bank UK PLC gave her bank details to a third-party business (which I'll refer to as BW) and allowed it to set up a direct debit instruction on her account. She believes this has breached her data privacy and requests compensation for the time and inconvenience in sorting this out.

What happened

Ms C raised a complaint with Barclays in November 2024 because she'd noticed a Direct Debit on her listing of regular payments to BW that she hadn't authorised. BW hadn't attempted to take any money from Ms C's account, but Ms C was concerned as to how BW had obtained her new bank details. Barclays responded to that complaint saying it wouldn't have shared details with BW and rejected the complaint.

Ms C continued speaking with BW to establish the facts and, because of her investigations, contacted Barclays again in February 2025 with evidence of Barclay's error. In its final answer dated 25 February 2025, Barclays apologised for having passed on Ms C's details and said it couldn't understand how it had happened. It said the matter had been passed to its internal data privacy team for further investigation. But Barclays didn't accept that the outcome of its complaint investigation in November 2024 was wrong. It awarded, and paid, Ms C £125 compensation. Ms C wasn't satisfied with the amount of compensation and referred her complaint to this service where one of investigators considered the merits.

Our investigator felt that Barclays had admitted its mistake and paid compensation but wasn't persuaded the amount was sufficient. They felt that £200 in total - so an additional £75 - was a more reasonable amount given the investigations Ms C had to carry out.

Barclays accepted our investigator's opinion, but Ms C didn't. Ms C said she would accept £875 as compensation - so an additional £750 - but Barclays wouldn't agree to that. So, the matter has been passed to me, as 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.

Ms C has sent in copies of follow up letters to Barclays for our file. I won't be looking at the issues within those letters. I am only permitted to consider matters which Barclays has considered and issued its final answer on. So, I'm restricted to the data issue and compensation.

I'm also not able to look at the second part of Ms C's complaint regarding the outcome of her previous complaint. Under the rules which I must work to, - the Dispute Resolution Rules (DISP) which are published in the Financial Conduct Authority's handbook, I can only look at complaints concerning regulated activities (DISP 2.3). And complaint handling is not a regulated activity.

It seems to me that there is now no dispute that Barclays did provide BW with the details of Ms C's new bank account when it shouldn't have done. I'm pleased to see that Barclays admitted its mistake and referred the breach to its data privacy team. That's what I'd have expected it to do.

So, what's left for me to decide is the amount of compensation payable.

Barclays has paid £125, our investigator has suggested (and Barclays has agreed to) £200, and Ms C wants £875.

Ms C has said that she had to request bank statements from accounts that had been closed for over 3 years. She's also said that she has spent six months trying to work out how her data had been breached, writing e-mails and taking and making calls during her lunch breaks.

I have no doubt that Ms C has been concerned about how her bank details were given to BW without her authority. From what I can see, the issue regarding statements is a separate matter concerning payment of a specific sum. So I can't take that into account for this complaint. Ms C raised her complaint first in November 2024 and Barclays sent its letter in February 2025 acknowledging its error. So, a period of three months.

In assessing the compensation, I've looked at the general [guidelines used by this service when awarding compensation](#).

I believe the compensation does fall within our banding of up to £300. That says a mistake has caused the consumer more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal.

An award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.

Ms C's request for £875 falls into our banding of £750 - £1500 and is awarded because the impact of a business's mistake has caused substantial distress, upset and worry – even potentially a serious offence or humiliation. There may have been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year. It could also be fair to award in this range if the business's actions resulted in a substantial short-term impact.

I'm not persuaded that the facts of this case mean that Ms C's compensation should fall into the latter category. There's been no financial loss to Ms C as no direct debit was ever claimed and no-one apart from her, Barclays and BW were aware of the issue.

I do however think that it falls into the category of up to £300. I think Ms C was put to reasonable effort to sort out the mistake and it did take several weeks to get to the bottom of what had happened. I also think it did cause Ms C some distress.

Putting things right

I think Barclays has caused Ms C more than the usual inconvenience in operating a bank account and I agree further compensation is due. Barclays has already paid £125 but I agree with our investigator that an additional £75 should be paid for the reasons I've given above.

My final decision

My final decision is that I uphold this complaint. I direct Barclays Bank UK PLC to pay Ms C £75 in addition to the £125 it has already paid to bring the total compensation award to £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 11 September 2025.

Stephen Farmer
Ombudsman