

The complaint

This complaint is about mortgage that Ms S holds with Barclays Bank UK PLC. The complaint relates primarily to how Barclays has dealt with personal information Ms S sent it by recorded delivery in October 2024 – and other updates she sent by email – in connection with arrears on the mortgage. Ms S says Barclays lost the information, itself a data protection breach, and then began litigation proceedings unfairly, causing her enormous stress and anxiety.

What happened

Barclays issued a final response to the complaint on 7 March 2025. It explained that there had been no data breach as the information had not been lost. Rather it hadn't been filed correctly until being located in February 2025 following a phone conversation Ms S had with the bank. Barclays apologised and paid Ms S £200 compensation for her time, trouble and upset.

When Ms S referred the complaint to us, Barclays agreed to suspend litigation action pending the resolution of the complaint. Our Investigator agreed that no data breach had occurred, but she didn't think £200 was enough compensation for the worry and stress Ms S had suffered. She recommended Barclays pay Ms S an additional £200, making £400 in all. Barclays agreed to this but when we initially didn't hear back from Ms S, the case was closed.

The case was reopened when Ms S contacted us to say Barclays had resumed its litigation action and she wanted the complaint reviewed and decided by an ombudsman. We contacted Barclays to see if it would pause action again, but by this time, the litigation action had reached court. It was heard by the court on 16 December 2025, and dismissed.

What I've decided – and why

The above summary is in my own words. The broad circumstances of this complaint are known to the parties. I'm also aware that the investigator issued a response to the complaint, a copy of which has been sent to both parties, and so I don't need to repeat the details here. Our decisions are published, and it's very important that I don't include any information that might result in Ms S being identified.

Instead I'll focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint. For the avoidance of any doubt or ambiguity, this decision deals solely with the complaint as summarised above and addressed in the 7 March 2025 final response. I've no remit to look at the recent litigation. Ms S would need to raise that as a separate complaint with Barclays first and then refer it to us if not satisfied with the response.

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers.

In doing that, we don't replicate the work of the courts. Whilst statutory, our scheme is intended to provide swift outcomes to disputes between business and the customers, with a minimum of formality. We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

That includes all of the material Ms S sent us up to and including 2 January 2026.

I've also noted her conversation with the Investigator on 19 December 2025, and add my reassurance that I'm not revisiting the complaint she brought to us several years ago. Nor am I looking at what has happened since Barclays resumed litigation after the Investigator gave her initial view of the case. That would need to be referred to us separately.

This isn't a complaint where I have to decide fault; Barclays has already accepted that it mishandled the information Ms S sent it, and this resulted in litigation action beginning in early 2025 that might otherwise have been avoided, or more likely deferred. Against a backdrop of severe financial pressure and poor health, there's no doubt in my mind that this caused Ms S additional stress, on top of that she was already suffering.

When I consider how Barclays reacted once it was aware of its mistake, I think the business did the right thing by remedying the mistake, apologising, and offering to compensate Ms S for her time, trouble and upset. But I agree with our Investigator that the initial compensation of £200 didn't go far enough. Assessing fair compensation for people's time, trouble and upset is not an exact science; everyone perceives things, and reacts to them, differently. One person's minor annoyance is another significant and stress-inducing inconvenience. It's all about the individual, and their personal circumstances. That's why the guide we publish on the subject incorporates ranges rather than tariffs.

There's no doubt in my mind that Ms S has gone through, and continues to go through, very difficult times. I would never seek to trivialise that, but at the same time, I have to keep in mind the cumulative effect on Ms S, quite understandably, of the fact that by her own testimony, she has more than just the situation with Barclays to deal with. Here, though, I have to confine myself solely to the one dispute and when I do that, I find that £400 would be fairer, in all the circumstances.

That begs the question of what happens next. Matters have already moved on, with Barclays taking Ms S to court, after it believed this this complaint had been concluded. So it's possible another complaint is, or will be, in the pipeline. It's important to explain here that lenders will generally agree not to pursue recovery action whilst we look at a complaint, but they don't have to and we can't force them to. If the Financial Ombudsman Service had that power it would undermine our impartiality between the parties to a complaint. It would also create the potential for consumers to use our service to bring complaints with the intention of having any legal action put on hold, thereby obstructing businesses that were trying to take action through the courts to recover money legitimately owed by the consumers.

I do not wish to alarm Ms S but I would not want her to be under any misunderstanding that we would tell Barclays that it must delay subsequent litigation action in the event of any new complaint being raised about the mortgage. It is a matter for a court to decide whether it is appropriate to adjourn or suspend any legal action, not this Service.

I know this isn't the outcome Ms S wanted. She is in poor health and faced with the prospect of having to agree a payment arrangement with Barclays, with the potential risk of losing her home if she doesn't. That's a horrible situation for Ms S to be faced with, and she has my sympathy. But I can't restrict or in any way pre-empt any future action Barclays might take other than to remind it of its regulatory obligation to treat its customer fairly

My final decision

My final decision is that I uphold this complaint in part only. In full and final settlement, I direct Barclays Bank UK PLC to pay Ms S a further £200 compensation, making a total of £400 in all.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 2 February 2026.

Jeff Parrington

Ombudsman