DRN-6146154

The complaint

Ms M is unhappy with how Barclays Bank UK PLC have engaged with her in relation to two loan accounts, and the overdraft on her current account.

What happened

In mid-July 2024 Ms M let Barclays know her circumstances had changed meaning she was unable to work and was now experiencing financial difficulties.

Barclays suspended interest on her loans and it was agreed Ms M did not need to make any payments until November 2024.

In October 2024 Ms M let Barclays know her circumstances had changed again as she was now in receipt of more financial support. A three-month plan was put in place to assess Ms M's ability to potentially manage a longer-term consolidation loan (referred to by Barclays as a 'resolve loan').

Due to an error the three-month plan did not include Ms M's overdraft – although Ms M did later repay the overdraft before the resolve loan started.

A resolve loan to consolidate Ms M's two existing loans was put in place in mid-March 2025.

During these events Ms M raised complaints with Barclays about how they had treated her as a vulnerable customer and how various things had gone wrong.

Barclays' review of Ms M's concerns led them to pay Ms M a total of £350 to recognise the upset caused to her due to shortcomings in their service to Ms M. They offered Ms M a further £25 which she did not accept.

Our Investigator increased the level of compensation to £750, setting out that Barclays ought to pay Ms M a further £400. The Investigator's findings included reference to Ms M's concerns about how the plan and resolve loan had been set up for her, which had not formed part of the original complaint.

Barclays accepted the higher £750 total compensation figure on the basis this would include Ms M's concerns about the plan and the resolve loan.

Ms M said the additional £400 did not go far enough to reflect the level of upset Barclays had caused her over several months. Ms M proposed a sum closer to £6,000 to resolve matters. Because Ms M had not accepted the proposed resolution, Barclays withdrew their acceptance of the Investigator's view. Barclays explained Ms M had not previously raised concerns with them about the plan and resolve loan, so these would now need to be raised as a separate complaint to allow them the opportunity to review those concerns.

I issued a provisional decision to both parties setting out that my considerations did not include Ms M's concerns about the plan and the resolve loan, and that my decision was limited to the complaints considered by Barclays under their references ending -T and -6.

Taking everything into account I concluded it fair for Barclays to increase the compensation to a total of £550, and so proposed Barclays pay Ms M a further £200.

Ms M strongly disagreed with my provisional decision and said the main reason for her complaint was the constant harassment she had received from Barclays. Ms M also said Barclays had failed to follow the Financial Conduct Authority's (FCA) guidelines in relation to supporting vulnerable people. And Ms M described the personal impact to her as a result of her engagement with Barclays. Ms M maintained the level of compensation was not sufficient to recognise how she had been affected by Barclays.

Our service approached Barclays to seek consent to consider Ms M's concerns about harassment, and if not that this would be considered with Ms M's separate concerns about the plan and resolve loan.

Barclays consented to this and said that they now also agreed to Ms M's concerns about the three-month plan and resolve loan all being considered together.

Following this I approached Barclays to consider increasing the proposed compensation to a total of £1,000 to settle the complaint – so to pay Ms M a further £650. Barclays agreed on the understanding it would include resolution of their complaint references ending -T, -6 and -P (the latter reference having not previously been part of this complaint).

This was put to Ms M, and it was set out that this proposed settlement encompassed the period of time between July 2024 and March 2025.

Ms M said she was still waiting for information from the DSAR she had raised with Barclays to obtain particular call recordings to support her complaint and reasons for a higher compensation payment. Ms M queried whether if she did not accept the proposal she could pursue Barclays through the court system. Ms M said an additional £650 was not sufficient and she considered a sum of £2,000 better justified to reflect the experience of her dealings with Barclays. Ms M said she wished to complain about how she was treated by Barclays as a vulnerable person from August / September 2024 to date.

As Barclays had only accepted the proposal with further conditions and Ms M did not accept the sum enough to settle things and wanted to extend the period of time being considered, I wrote to both parties setting out the scope of the complaint was to cover the considerations under Barclays' complaint references ending -T and -6; how Ms M was treated between July 2024 and March 2025; and Ms M's concerns leading up to the setting up of the resolve loan. And I set out why I considered £1,000 to be fair compensation to resolve these complaints.

Barclays replied to accept this proposal for the scope of complaint set out.

Ms M continued to strongly disagree. Ms M maintained that the level of harassment she had experienced from Barclays was significant and had greatly impacted her personally. Ms M submitted extensive additional submissions including call recordings to support that the level of compensation should be higher.

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 realise how important this matter is to Ms M. The period this complaint covers was an especially challenging one for Ms M personally and financially as her circumstances had changed significantly. I do not underestimate how difficult a time this was for Ms M, particularly with respect to her health and well-being.

The overall submissions on this case are extensive, and as both parties are aware of what has happened so far, I have included only a summary above for the purposes of this decision to set out the background to this complaint, and in my findings I have focused on what I consider relevant to resolving this matter. But I assure both parties I have reviewed the submissions and evidence provided, including listening to the available call recordings to decide what I think is a fair and reasonable outcome in this case for both parties.

To reach a fair and reasonable decision I have taken into account any relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

And for the avoidance of doubt, it is not my role to fine or punish a firm, or to interfere with a firm's systems, processes or controls – these are all considerations for the appropriate regulator.

I think it reasonable to say Ms M's complaint is driven primarily by her concerns about how Barclays have treated her as a vulnerable consumer, and Ms M has set out in her submissions the various things that have gone wrong during her dealings with Barclays during the time in question to support this.

Ms M's concerns include Barclays' failure to record her on their systems as a vulnerable consumer; Barclays' failure to adhere to the FCA's guidance for vulnerable consumers; Barclays' failure to update her email address; Barclays using the full amount of her disposable income towards her three-month plan; Barclays not including the overdraft in the three-month plan; Barclays not proactively arranging the resolve loan; Barclays' failure to call her back when promised; Ms M's difficulties in being able to speak with the Specialist Support Team (SST); Barclays' harassment through calls, letters and messages to her, particularly in September and October 2024.

Barclays have not disputed the shortcomings in their dealings with Ms M, so I think it is fair to say Barclays have accepted their engagement with Ms M and the support they provided to her could have been better and that their failure to do so had a personal impact for Ms M.

In the circumstances, I therefore think it is reasonable to say that what is left for me to decide is whether I remain persuaded that the proposed total of £1,000 to compensate Ms M is fair in the circumstances.

As I've previously let both parties know, when determining an award of this nature our service considers various things such as the time taken to sort out a mistake, the impact to someone's health and whether there was anything an individual may have been able to do to help reduce the impact of the firm's mistake.

It is of course not possible to undo what has already happened, and there is no formula to calculate what the cost of personal impact has been to someone affected by a firms' errors. In short, it is not an exact science. And it should be noted an award to recognise the distress and inconvenience caused to someone is not to be taken as a fine or punishment for a firm.

Ms M has made numerous points in relation to what has happened and the impact to her. While I have reviewed all Ms M's submissions and evidence, including the call recordings, I have not gone through each of Ms M's points individually here. I don't mean this to be dismissive or discourteous, but there is no requirement for me to go through the complaint in this way. As I've noted earlier, my role is to decide what is a fair and reasonable outcome for both parties, and to focus on what I think is relevant to reaching that resolution. And as I've

said, Barclays already accept they could have handled things better for Ms M so I am not persuaded there is any need to list out and discuss everything that has happened.

I am also in no doubt Ms M was, as recognised by the FCA's guidance, a vulnerable consumer during the course of these events and that she was finding her contact with Barclays over the months in question difficult and very upsetting. Having listened to the call recordings, I was sorry to hear that at times Ms M was particularly distressed by her interactions with Barclays.

As noted earlier, Ms M's driving point is that Barclays harassed her and this contact over a sustained period of time significantly impacted her well-being.

I recognise Barclays were contacting Ms M from July 2024 onwards in relation to her various accounts. In the circumstances I think it fair to say the volume of communications was heightened by the fact it related to a number of different accounts that Ms M was having to deal with, and I think it reasonable to say that not all those communications were unreasonable.

Ms M was issued with her statements, notified of failed direct debits, issued legally required correspondence in relation to arrears on her accounts and messaged in relation to her accounts and contacted about her complaints with Barclays. There was also contact with Ms M about the plan in July 2024, and then later the three-month plan from October 2024, prior to the resolve loan being arranged.

I've considered this against the submissions that Ms M had notified Barclays she was in a vulnerable position and so shortcomings such as not placing the care marker on Ms M's profile when they should have done meant Barclays did cause Ms M to receive contact from areas of Barclays that could have been prevented (particularly it seems in September and October 2024) and so they could have avoided causing Ms M unnecessary additional upset at an already difficult time. Ms M has described receiving calls from different Barclays numbers, and messages all of which caused her much distress.

Barclays acknowledge Ms M was likely being contacted due to her outstanding overdraft balance as this would have been part of an automated process which stopped when Ms M cleared her overdraft.

Barclays did correct their errors and apologised to Ms M at various points and compensated Ms M to recognise where things had gone wrong. I think Barclays recognise that their different departments contacting Ms M no doubt caused Ms M to feel overwhelmed and led to her describing this as harassment.

I realise that a catalogue of mistakes on Barclays' part caused Ms M to have difficulties in trusting Barclays, especially given there were times they didn't contact her when she expected them to, including when she needed them to discuss setting up the resolve loan after the three-month plan ended. Ms M therefore contacted Barclays about this. This is disappointing after also having failed to include Ms M's overdraft in the three-month plan and then having to let her know that they had got this wrong.

I note that in early December 2024 when Ms M spoke with the complaint handler they assured her that she should let any department contacting her know that she was under the care of the SST who would then be better placed to support her. I've noted that Ms M had been given the number for the SST on more than one occasion for her to call if needed so Ms M had been made aware of Barclays' particular support for vulnerable consumers, although it is accepted there were times Ms M was unable to reach the SST.

I've also considered what Ms M has said about Barclays taking all her disposable income to manage the resolve loan payments and that although she queried this and Barclays offered the opportunity to look again at what Ms M could afford, Ms M then accepted it as something that was manageable for her. More recently Ms M has said this was because she was not in the right frame of mind to dispute this further.

I previously queried whether this had been the right thing for Ms M given it appeared she had in September 2025 instructed a debt management company (according to Barclays' submissions), but Ms M has more recently said this is not the case as she had not instructed a debt management company, rather she had been offered support with a third-party to discuss what benefits she might be entitled to.

Ms M has also referenced Barclays' failure to be transparent in their dealings with her, and that Barclays failed to follow the FCA's processes on how to deal with vulnerable customers.

As I've already noted previously, it is not for me to fine or punish a firm, and I assure Ms M that where there have been shortcomings in the service provided to Ms M, these have been considered.

The FCA's guidance to firms dealing with vulnerable consumers seeks to ensure that vulnerable consumers experience outcomes as good as those for other consumers, and that they receive consistent fair treatment. There is no set process or procedure for firms to be bound by or to adopt from the FCA's guidance, but the FCA emphasises the firm's obligations under the FCA's Principles to treat their customers fairly.

Overall I think there were times Barclays did not treat Ms M as fairly as they could have done as the support they provided could have been better, particularly given Ms M's circumstances and how they managed their overall communications with Ms M.

I am aware Ms M has also raised concerns about the DSAR she raised with Barclays, but those concerns do not form part of this complaint. I'm also aware that Ms M is seeking compensation for the time she has spent gathering information to support her complaint, but this is not something I am able to award compensation for as it is generally expected that an individual will spend time submitting their complaint.

I realise this will be a disappointment for Ms M, but I assure Ms M I have considered everything she has shared with our service and having done so I think a total of £1,000 compensation is fair in the circumstances to recognise the personal impact to Ms M as a result of Barclays' shortcomings between July 2024 and March 2025.

As Barclays have already paid Ms M £350, they now need to pay Ms M a further £650.

Putting things right

Barclays Bank UK PLC should pay Ms M £650.

My final decision

For the reasons above, my final decision is that Ms M's complaint is upheld and Barclays Bank UK PLC should put things right as I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 11 March 2026.

Kristina Mathews
Ombudsman