

complaint

Miss B's complained that Barclays Bank Plc held her responsible for a credit card account, which she said she didn't open.

background

Miss B applied for a loan from Barclays but it turned her down. It said her credit file showed she owed money under a Barclaycard account, which was opened in 2005. She said this wasn't her account and asked Barclays to investigate.

It made enquiries and found out the account had been opened fraudulently in Miss B's name. It amended her credit file. And it registered the information with CIFAS so that other lenders would know that a third party was applying for credit in her name.

Barclays also offered her £500 for the inconvenience caused by the fraudulent account.

Miss B didn't think this was enough so she brought her complaint to this service.

She said she wanted compensation for all the years since 2005 when she'd been refused credit because of the Barclaycard account being on her credit file. She estimates this is worth £1,500.

She also said she'd found out that Barclays had deducted two payments, totalling £84, from her current account to settle the debt on the Barclaycard account. This was before it knew the account was fraudulent. But Barclays hadn't refunded her.

After bringing her complaint to this service, Barclays wrote to her refusing the refund. Confusingly, it told her there'd been an earlier fraud investigation, which had concluded that the Barclaycard account was hers.

Our adjudicator intervened. Barclays admitted it'd made an error and offered to refund the £84. It also offered to pay £100 for the upset caused by its error.

Our adjudicator thought Barclays' overall offer of £600 for Miss B's trouble and upset, with the refund, was a reasonable one.

Miss B disagreed. She's asked for an ombudsman's final decision.

my findings

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

I'm sorry Miss B felt it necessary to complain to this service. But I'm afraid I also consider that Barclays' total offer of £600 for her trouble and upset is a fair and reasonable one in the circumstances. I say this because:-

- there's no supporting evidence she'd applied and been turned down for credit since 2005
- even if she had, there's no evidence the Barclaycard account was the main or only reason why she couldn't get credit

- if she'd been refused credit several times between 2005 and 2017 as she claims, then I would have expected her to check her credit file. If she had, she would've seen the Barclaycard account and could've asked Barclays to remove it earlier
- she didn't question the two deductions when they were made. But I accept she couldn't tell from the statements they were made to the Barclaycard account
- Barclays took steps to end any inconvenience caused by the account by removing it from her credit file and registering the information with CIFAS
- although Barclays later made an error, it did revise its position and rectify the situation by refunding the £84. I think £100 is commensurate with the trouble and upset its letter caused her
- the upset, which she's felt, started when she found out about the account in late 2017 and not when the account was opened in 2005. So it hasn't been ongoing since 2005.

I appreciate it's distressful for a consumer to find out their details have been used fraudulently. But I'm afraid it wouldn't be fair or reasonable to ask Barclays to compensate Miss B because she's been the victim of fraud.

In summary, I consider Barclays's offer to refund the £84 and pay Miss B compensation of £600 is a fair and reasonable settlement of this complaint.

my final decision

My final decision is that Barclays Bank Plc should refund Miss B her £84 and pay compensation of £600 for her trouble and upset

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 30 April 2018.

Razia Karim
ombudsman