

## **complaint**

Mr A complains that Barclays Bank Plc refuses to remove the default it has registered on his account. He complains that this is unfair as he never received the appropriate documents to tell him that Barclays was closing the account never mind to tell him it was going to register the default.

Further he says in any event Barclays sold the debt. At that point the new debt owner "L" registered the default and Barclays should have marked the debt as settled and removed its default registration.

## **background**

Mr A said that he experienced both financial loss and ill health as a result of the bank's actions. In particular he was upset about how the bank went about closing the account and registering the default.

Mr A's complaint was straightforward. It seemed that Barclays had the relevant information to provide its response. But it took a long time to let Mr A know what it was. Frustrated by these delays Mr A came to us.

We looked at the complaint. We could see that on the face of it something had gone wrong as it seemed that both Barclays and L had registered adverse information about the same account. L took a commercial decision and removed the adverse information it had registered and stopped pursuing Mr A for the debt.

Barclays initially – inadvertently gave us incorrect information about when it registers a default. So it seemed it had registered the default before the account was closed. Further our adjudicator was not satisfied that the relevant termination notice had been sent to the correct address. Moreover she considered in any event Barclays should have removed its default registration once the account was sold to L.

Our adjudicator said that Barclays had taken too long to tell Mr A what its stance was given that it had the relevant information and the query was straightforward. She'd seen medical notes from Mr A's doctor which suggested Barclays' approach had contributed to Mr A's mental health difficulties.

On this basis our adjudicator was satisfied it was fair and reasonable that Barclays remove the default it registered in March 2010 and pay Mr A £400 for distress and inconvenience.

Both Mr A and Barclays rejected this recommendation. Mr A said £400 was not enough he reiterated his previous position and raised new issues.

Barclays agreed to pay £400 for distress and inconvenience. But said the default it had registered in March 2010 was going to stay. It said it had done nothing wrong and it looked like L was at fault if anyone.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where there is a dispute about what happened, I have based my decision on what I consider is most likely to have happened in the light of the evidence.

*it's fair that Barclays should remove the default registration*

When Mr A brought the complaint to us he seemed to be suggesting that he did not recognise the debt. And it appeared he might be indicating that the debt was not his.

But the information I've seen including the account information for a number of years provided by Barclays means I consider it likely that the debt was Mr A's. The question for me is did Barclays act fairly in registering the default information in March 2010? And further has it treated Mr A fairly when he asked about this? I think the answer is no on both counts.

Barclays has given us inconsistent information about why it sent the termination notice to an address that apparently was not Mr A's and about who gave it these change of address details. This leads me to question if it followed the correct procedures both to close the account and to register the default.

I also take into account that it seems unfair that both it and L seemed have registered default information about the same debt. Although I accept Barclays says otherwise.

With these doubts in mind it seems fair and reasonable that Barclays should remove the default information it registered in March 2010 and remove any other adverse information it reported on this account in relation to the default. It should also stop reporting on this debt if it has not already done so.

*£400 is an appropriate award for the distress and inconvenience Mr A experienced*

That said, I'm satisfied that Mr A knew or should have known he had the debt and he'd not paid it off. So I cannot understand why he was so surprised to find that adverse information had been registered by L and Barclays.

I take on board though the impact that waiting to hear what Barclays had to say about this matter has had on his mental health. I thank Mr A for sharing his very personal medical information with us. I can see he has got a lot going on in his life. His doctor tells us that the situation with Barclays made it worse.

Barclays accepts that it should pay more than the £200 it originally offered. It has moved its' position and agreed to pay the £400 we suggested. But whilst I realise Mr A says this is not enough. I disagree. The sum reflects what's gone wrong here. Barclays took too long to respond to his complaint and did not handle the account closing and the default registration process correctly.

Mr A tells us that the information Barclays registered caused him financial loss. But I've not seen information that demonstrates this so I cannot compensate him for this.

It's not appropriate for me to make a decision about the new issues Mr A raises, problems with his job, breach of the bank's duty of confidentiality, breach of relevant data protection legislation. Barclays must be given a chance to look at these matters before we can review them. If Mr A wants to continue to raise these points he needs to raise them with Barclays first.

**my final decision**

My final decision is that Barclays Bank Plc should

- Remove the default it registered in March 2010 and any further information it registered about this default. It should stop reporting on this debt.
- Pay Mr A £400 for distress and inconvenience as it's already agreed to do.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr A to accept or reject my decision before 22 June 2015.

Joyce Gordon  
**ombudsman**