

## **complaint**

Mr M complains that Barclays Bank PLC failed to update the correspondence address for a buy-to-let mortgage he held with it, when he moved home. Consequently, when the mortgage fell into arrears, due to a problem with the direct debit, Mr M did not receive the letters sent by Barclays and was not aware that there was a problem until a debt collection agency working on behalf of Barclays visited his tenant.

## **background**

Mr M holds two buy-to-let mortgages with Barclays. When he moved home in 2010 Barclays only updated the correspondence address for one of the mortgages.

It appears that when Mr M switched bank accounts in late 2012, the direct debit for this mortgage was not set up correctly. As a result the mortgage payment was not made. Barclays wrote to Mr M about the missed payments four times in January and February 2013. As Barclays did not hold the correct correspondence address, Mr M did not receive the letters.

Barclays wrote again in March 2013 warning that it may take legal action in relation to the arrears. When it still did not hear from Mr M, it instructed a debt collection agency to act on its behalf. A representative from the debt collection agency visited the property in April 2013.

In May 2013 Mr M contacted Barclays and explained that when he had switched bank accounts it appeared that the direct debit for this mortgage had not been transferred. It then came to light that Barclays held the wrong correspondence address for this mortgage. Mr M cleared the arrears and complained about the problems caused by Barclays' failure to update its records correctly.

Barclays apologised to Mr M and confirmed that it had removed all arrears charges that had been applied to the mortgage account. It also said that it had removed the adverse information in relation to this matter from his credit file. It offered to pay him £200 for the distress and inconvenience this matter had caused. Mr M was not satisfied with the response he received from Barclays and brought his complaint to this service.

He said that he had been working in Europe when he first became aware that there was a problem with the mortgage payments. He said the debt collection agency had refused to assist him until he could confirm details of the mortgage. Mr M has explained that he did not have this information to hand and had to fly back to the UK to find the account number in his papers. He said the £200 offered by Barclays was not sufficient to cover the cost of his flights to the UK. He also said that he wanted a letter of apology from Barclays that he could show to his tenant and letting agent.

Our adjudicator said that he was of the view that Barclays' offer to pay Mr M £200 was fair and reasonable. He also said that Barclays had offered to write Mr M a letter of apology that he could show to his tenant and letting agent. Mr M was not satisfied with our adjudicator's response and asked for his complaint to be determined by an ombudsman.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. It is not in dispute that Barclays failed to

update Mr M's correspondence address for one of his buy-to-let mortgages. What is in dispute is whether the £200 that Barclays has offered Mr M for the inconvenience this matter has caused him is adequate.

I appreciate that Mr M says that as he did not have details of the mortgage, including the account number, he had to fly back to the UK from Europe to find the necessary information. However, Barclays says the debt collection agency it had instructed has confirmed that it does not use account numbers as identification and would therefore not have refused to deal with a customer who did not know their account number. It also said that the debt collection agency has no record of Mr M contacting it.

I have very carefully considered all that Mr M has said about the distress and inconvenience this matter caused both him, and his tenant. I have also considered the more recent information that Mr M has provided to this service about the cost and dates of the flight he took back to the UK to resolve this matter.

I am mindful that Mr M has previously told this service that he had to fly back to the UK to find his mortgage account number as the debt collection agency *"refused to deal with me over the phone"* without it. However, Mr M has more recently said that he flew out of the UK on 14 May 2013 and flew back on 24 May 2013. As Mr M cleared the arrears on 16 May 2013, and Barclays' records show that it cancelled any further activity by the debt collection agency that day - and confirmed that this was the case to Mr M - I cannot reasonably agree that he needed to fly back to the UK on 24 May 2013 to find his account number and resolve matters with the debt collection agency.

I am also mindful that Mr M has previously said that the £200 Barclays has offered *"does not cover the cost of the flights"*, however, from the information that Mr M has provided about the cost of the flights it appears that the compensation offered is nearly double the cost of the flights that Mr M took.

Having carefully considered this matter, I cannot reasonably agree that Barclays should pay Mr M more than the £200 it has already offered to pay him.

### **my final decision**

My final decision is that Barclays Bank PLC has made a fair and reasonable offer to pay Mr M £200 and to write Mr M a letter of apology that he could show to his tenant and letting agent. I cannot require it to do more.

Suzannah Stuart  
**ombudsman**