

complaint

Miss A complains about a default which Barclays Bank PLC registered on her credit file.

background

Miss A disputed petrol transactions on her account in 2012. She had previously lost the card which was used to pay for the petrol purchases. The payments took her account into overdraft. Miss A complained to Barclays. It arranged to close the account. Barclays would not however refund the disputed sums. This was because the correct pin number had been entered for the card in question.

Miss A did not pay off her overdraft. Barclays registered a default on her credit file in May 2012.

In February 2014, Miss A applied for credit but was refused. She complained to Barclays. Miss A was told her account was closed and was with its Recoveries Department as there was an unpaid overdraft. Miss A was also told that a default should not have been registered as she was seventeen years old when this was done.

Miss A complained to Barclays and brought a complaint to us to consider. We were unable to consider her complaint about its refusal to refund the disputed transactions. This was because the complaint was brought more than six months after the final response letter was issued.

We were however able to consider Miss A's complaint about the default which Barclays has registered on her account.

The adjudicator recommended that the complaint should be upheld in part. She considered that the default should be removed as Barclays had agreed to. The adjudicator recommended that it should pay Miss A £300 for trouble and upset. The adjudicator noted that Barclays had written off the balance in the account - £388.

Barclays agreed with the adjudicator's recommendations. Miss A does not agree. She says that £300 does not compensate her for the trouble and upset caused by this incident. Miss A would like compensation in the sum of £3,000.

my findings

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

Barclays has agreed that it registered a default on Miss A's credit file in error in 2012. Miss A was first affected by this mistake in February 2014 when her credit application was refused. Barclays has agreed to remove the default and to pay Miss A £300 for trouble and upset. It has also agreed to write off the balance in Miss A's account.

Miss A says that £300 does not fully compensate her for the trouble and upset she has experienced. I note however that she has only been refused credit on one occasion as a result of the default. I consider that the offer of £300 is fair and reasonable compensation for this. Our awards are generally modest, and are not designed to punish a business.

I note that Miss A has unfortunately experienced some health problems which she has been referred to hospital for. I do not however consider that it would be fair to hold Barclays responsible for these. I am not persuaded that they were caused by the registration of the default.

my final decision

My decision is that Barclays Bank PLC should:

- Pay Miss A £300 for trouble and upset
- Remove the default from her credit file if it has not already done so
- Write off the balance in her account if it has not already done so.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss A to accept or reject my decision before 6 August 2015.

Rosemary Lloyd
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