

complaint

Mr B complains about the way Barclays Bank Plc (trading as Barclaycard) treated him following some fraudulent transactions on his credit card account.

background

Barclaycard detected some fraudulent transactions on Mr B's credit card account. It stopped his card, contacted him and refunded the transactions promptly. Mr B has no complaint about this. But he is very concerned about the way he was treated after the fraud was detected.

Mr B has described the main issues. These include that he couldn't access his credit card account online, so had to ring Barclaycard. And when he did there was an error with his password, and so it took additional wasted time to pass security checks. He was frustrated by the length of time he spent on the telephone during several calls. He was spoken to in a way that made him feel that he was the fraudster. He was told that more than one new card had been despatched that he hadn't received, which was worrying. And he felt embarrassed and humiliated when he was declined credit for mobile phone contracts, due to entries on his credit file, including a CIFAS (the fraud avoidance service) registration.

While dealing with Mr B's concerns, Barclays paid him £350, in total, and £40 for costs. It apologised for any conflicting information, its service and inconvenience this matter had caused. It said it made only a 'protective' CIFAS entry, which doesn't have a negative effect on his credit file. It removed the entry. It apologised if its staff didn't communicate with him clearly, accurately or courteously.

Our adjudicator considered that the bank had taken reasonable steps to resolve Mr B's complaint, and had paid him reasonable compensation. He explained that the protective CIFAS registration shouldn't prevent Mr B from obtaining credit.

Mr B didn't agree. In summary, he said the password issue seriously hindered his attempts to progress this matter. The bank staff's behaviour was poor and bordered on insulting. Barclaycard changed its story on the number of cards it issued, and where they had been sent. All of this would be illustrated by our listening to the 15 hours of calls he made. The staff weren't aware of the impact of the CIFAS registration, and removed the entry only after he insisted. The credit reference agencies told him this was wholly responsible for his mobile phone applications being declined, which was humiliating in crowded shops. His application was accepted as soon as the CIFAS entry was removed. He has had to drive the complaint forward. Barclays has not given an appropriate apology for the anxiety, stress and sheer frustration he has experienced stemming from something that was not his fault. He expects, at the least, an additional compensation payment.

my findings

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

My findings are confined to this complaint about the service Mr B received following the fraud on his account. I make no findings on Mr B's separate complaint about the bank's handling of his section 75 claim.

Barclaycard correctly picked up the fraudulent transactions. But after this I find Mr B received a very poor level of service from Barclaycard. His online access was blocked. And I accept it was most frustrating for him to spend so much additional time on the telephone simply because of the bank's error with his password. Given the background here I can see his concern that he was being treated with suspicion. And it seems to me that the bank could have resolved the password issue when it first arose.

I find the bank also gave Mr B inconsistent information about the replacement card (or cards). It has since said only one went missing, and this didn't go to the fraudster's address. The bank isn't entitled to hold him responsible for spending on his credit card that he didn't authorise. But I can see Mr B would be very concerned that there might be further fraud, given all that had gone on in this complaint.

Mr B has been clear and consistent about the bank's handling of his calls, and the manner in which he was spoken to. I find his evidence persuasive. The bank delayed in responding to his complaint, and he resorted to social media to get a response. It has apologised for the way in which he was dealt with, which I think was appropriate and I don't consider a further apology is required. But I don't consider the level of compensation the bank has already paid goes far enough.

It is correct to say that a protective registration shouldn't result in a credit rejection – rather it should trigger referral of the application for extra identity checks. But Barclaycard hadn't told Mr B that it had made a protective registration, and had it done so Mr B might well have avoided applying for credit in a busy shop or taken additional identification with him. I consider Barclaycard should fairly pay additional compensation to Mr B for the time and trouble this overall matter has caused him, including the humiliation and embarrassment that he was caused when his credit applications were not accepted. I assess an additional £150 to be fair and reasonable in all the circumstances.

my final decision

My decision is that I uphold this complaint. I order Barclays Bank Plc (trading as Barclaycard) to pay Mr B £150 (in addition to the payments it has already made).

Amanda Maycock
ombudsman