

The complaint

Miss T complains that Barclays Bank UK PLC trading as Barclaycard gave her incorrect information about regarding her debt.

What happened

Miss T held an account with Barclaycard which defaulted in 2017 after it fell into arrears and remained unpaid.

In 2021 Miss T contacted Barclaycard to ask about the balance on the account. She was told that the debt had been written off.

In January 2023 Miss T received letters from a debt collection company asking her to pay the outstanding amount on the account.

Miss T complained to Barclaycard. Barclaycard upheld the complaint. In its final response it said it was sorry that Miss T had been provided with incorrect information regarding the debt. It said the write off code was for internal use only to represent the account being placed with a debt collection agency, not to represent the debt being written off. Barclaycard advised Miss T that although it accepted that she had been provided with incorrect information, the debt was still valid, and it was unable to write it off. Barclaycard offered compensation of £150 by way of apology for the incorrect information.

Miss T remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. He said the bank had apologised for the incorrect information and that the compensation offered was fair.

Miss T didn't agree so I've been asked to review the complaint.

What I've decided – and why

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

I appreciate that it must've been upsetting for Miss T to receive a letter from a debt collection agency when she thought the debt had been written off.

I've looked into what happened in 2021 when Miss T was told that the debt was written off. I haven't been able to listen to the call recording because Barclaycard hasn't been able to locate the call. Barclaycard has reviewed its system notes and has accepted that Miss T was given incorrect information about her balance when she called in November 2021.

The incorrect information given to Miss T was that her debt had been written off. It appears that the agent who spoke to Miss T misunderstood the notes on the account which referred to an internal write off for administration purposes only, not an actual write off of the balance.

Barclaycard has accepted that it gave incorrect advice and has apologised and offered

compensation.

I appreciate that Miss T wants the debt written off. However, I won't be asking Barclaycard to do this because the remedy for the provision of incorrect information isn't to take steps to make that incorrect information true, but is instead to pay compensation for the error. So I've gone on to think about whether the compensation offered by Barclaycard is fair and reasonable.

As I've said above, I appreciate that it would've been upsetting for Miss T to receive a letter from a debt collection agency. The bank provided incorrect information in 2021 and it could've handled the call that Miss T made to them in 2023 better as well. Taking this into account I think this is a case where compensation is justified, but I think the sum offered already by Barclaycard is fair and reasonable and in line with what this service would award. So, I won't be asking the bank to increase its offer.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 5 April 2024.

Emma Davy
Ombudsman