

[Press release: Barclays gets legal directions for PPI breach](#)

The Competition and Markets Authority (CMA) has [issued Barclays with legal directions](#) requiring it to put appropriate systems and procedures in place to prevent a similar incident from happening again in the future.

Following an investigation into payment protection insurance (PPI) by the Competition Commission in 2011, one of the measures introduced in an Order was that customers should receive an annual reminder from their provider setting out clearly how much they had paid in, and their right to cancel the policy.

In the period from October 2016 – October 2017, Barclays failed to provide a reminder to 2,265 Littlewoods credit card PPI customers. It attributed the breach to a technical problem in transferring the customers to its computer system.

Following that breach, Barclays wrote to all affected customers, providing a reminder of their right to cancel the policy and the offer of a refund. From this communication, it has so far paid out almost £336,000 in refunds to customers.

This is not the first time Barclays has breached the Order, [having reported several substantive breaches to the CMA in 2015](#) for not providing annual reminders to almost 10,000 PPI customers.

Adam Land, the CMA's Senior Director of Remedies, Business and Financial Analysis, said:

The annual reminder is an important measure so customers know they still have a PPI policy and how much it is costing them each year, as well as their right to cancel or switch.

This is Barclays' second breach of the PPI order. As a result, we are issuing legal directions which can be enforced by a Court, to ensure they comply with the order.

We now require assurances from Barclays they have now put adequate systems in place to prevent a similar breach from occurring again.

Notes to editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
2. For CMA updates, follow us on [Twitter](#), [Facebook](#) and [LinkedIn](#).

3. Barclays is in breach of the [Payment Protection Insurance Market Investigation Order 2011](#) (the PPI Order). One of the requirements of the order is that all PPI customers would receive an annual reminder from their provider setting out information including how much they had paid into their policy.
4. Directions are a formal enforcement instrument, which can be used to ensure that an Enterprise Act 2002 remedy imposed by the CMA, in this case the PPI Order, is complied with fully.
5. Barclays notified the CMA of the breach in March 2018.
6. The CMA does not currently have the power to impose financial penalties for breaches of this kind. The CMA has called for such powers in order to increase incentives for businesses to comply with market and merger remedies and to rectify any breaches quickly.
7. Media enquiries should be directed to 020 3738 6460 or press@cma.gov.uk.