

The complaint

Mr F complains about late payment markers on his credit file, which he says were unfairly reported by Barclays Bank UK PLC trading as Barclaycard.

What happened

Mr F has a credit card account with Barclaycard. He cleared the account balance in November 2019. He says the card was then cancelled, but two transactions were made on it in December 2019. In early 2020, Mr F received a text message from Barclaycard asking him to make a payment to the account. He called Barclaycard on 3 February 2020.

Barclaycard's agent gave Mr F details of the transactions, which had been made to a business which I'll call P. Mr F recognised the transactions but said they should have been made on another card. He wanted to clear the balance over the phone, but Barclaycard was having technical issues at the time, so this wasn't possible. He said he would call back the next day.

Mr F says he couldn't get through to Barclaycard on the phone over the next few weeks. He made payment on 17 March 2020 over the phone. During that call, Barclaycard refunded the interest and charges which had been applied to his account. Mr F says he was also told that no late payment markers had been or would be recorded.

But, in 2021, Mr F found out that late payment markers had been recorded on his credit file. He complained to Barclaycard. It sent its final response in March 2021 and partially upheld the complaint. It apologised that Mr F hadn't been able to make payment during his first phone call because of its system issues and credited his account with £25 as an apology. But it said it had reported the account correctly to the Credit Reference Agencies, so it didn't agree to remove the late payment markers.

Mr F wasn't happy with Barclaycard's response and brought the complaint to this service. He continued to correspond with Barclaycard. In December 2021, it sent him an email which indicated that it was going to remove the late payment markers. But Barclaycard hasn't done so and has since confirmed that its position on the complaint remains as set out in its final response letter.

Our Investigator didn't think Barclaycard had done anything wrong by reporting the late payments to the Credit Reference Agencies. But he thought it had made mistakes in its handling of the situation, particularly the contradictory messages about whether it was going to remove the late payment markers. He recommended that Barclaycard pay Mr F compensation of £100.

Mr F didn't accept our Investigator's findings and asked for the complaint to be reviewed by an Ombudsman. He says that £100 is insulting and that Barclaycard's mistakes are costing him thousands of pounds. He is also unhappy about the way Barclaycard has dealt with the Subject Access Requests which he has made in connection with this 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 realise that Mr F is unhappy about the way his Subject Access Request is being dealt with. But I'm not making any findings about that here as it doesn't fall within the scope of this complaint.

Mr F says there were two mistakes by Barclaycard which led to the late payment markers being recorded on his credit file. Firstly, he says that the payments to P shouldn't have been made, as his card should have been cancelled. Secondly, he says that Barclaycard couldn't take his payment when he called because of problems with its system. He says that these issues led to the late payment markers being recorded, in turn affecting his ability to obtain credit and causing him distress and inconvenience. I'll look at each of these issues in turn.

I'm satisfied that Mr F cleared his account balance in November 2019. He says he destroyed the card after that and told Barclaycard this. I've no reason to doubt that Mr F destroyed his card. But that isn't the same thing as the account being closed. I haven't seen any evidence that Mr F asked Barclaycard to close the account. So I can't conclude that it did anything wrong by keeping the account open.

Mr F says the card was associated with his account with P and that the December 2019 transactions went through in error as they should have been on a different card. It's Mr F's responsibility to check which card is linked to his account with P. It's not for Barclaycard to change the card details on Mr F's account with P. So I don't find that Barclaycard is at fault for the transactions being made on his Barclaycard account.

It's not in dispute that Mr F was unable to make payment when he called Barclaycard on 3 February 2020 because of problems with its system. That was before the payment due date. So there were no adverse consequences for Mr F of payment not being made that day, other than the inconvenience to him.

Mr F says he wasn't given any strict timelines for when he needed to pay. I've listened to the call of 3 February 2020. The agent told Mr F that payment was due on 7 February 2020. His January statement also showed the payment due date as 7 February 2020. So I'm satisfied that Mr F was given a timeframe to pay.

He asked during the call whether any late payment fees had been charged. None had, as the payment wasn't late at that point. I think this shows that Mr F was aware that making a late payment could lead to adverse consequences. This was later confirmed by his February statement, which showed that interest and a late payment charge had been added.

Mr F says he tried calling Barclaycard several times to make payment but was met with long waiting times. I don't doubt that it was difficult to get through to Barclaycard on the phone at that time. But I'm satisfied that there were other ways Mr F could have made payment. He says he doesn't think he had an online banking facility with Barclaycard at the time, so couldn't have paid by that method. But I think there were other options he could have used, such as visiting a branch or using an ATM, as indicated in the statements.

If Mr F had made payment by 7 February 2020, no interest or late payment charges would have been payable. As his payment was made after that, interest and charges were applied in line with the terms and conditions of his account. Barclaycard has refunded those. But Mr F says he was also told that no late payment markers had been or would be recorded on his credit file. Having listened to the call of 3 February 2020, I'm satisfied that the credit file

wasn't discussed at all on that occasion. As I said above, Mr F did ask if any late charges had been applied and the agent confirmed there were none.

Barclaycard has recently provided a recording of the call on 17 March 2020. Barclaycard's agent refunded the late payment charge and interest during this call. But Mr F's credit file wasn't discussed at all. I find it likely that the late payments had already been reported to the Credit Reference Agencies by that stage. The February payment was more than a month overdue by that time and the March payment date had also been missed. This is confirmed by Mr F's statements. On the evidence available, I don't find that Mr F was told there would be no impact on his credit file.

I don't think Barclaycard acted unfairly by reporting the late payments to the Credit Reference Agencies. That's because the payments weren't made on time and Barclaycard has a duty to report accurate information about Mr F's account. I'm satisfied that Mr F knew when the payments were due and there were various ways he could have paid (not just by phone). Barclaycard chose to refund the interest and charges, which I think was fair. But I don't think it needs to go further and amend the late payment markers.

However, I find that Barclaycard gave Mr F inconsistent information about how his complaint was being resolved. Barclaycard's email of December 2021 said "*But we will first ask for the fees to be refunded and the late mark removed...*". But its final response to the complaint (and its position since) was that the information had been reported correctly to the Credit Reference Agencies and couldn't be amended. I can appreciate the frustration and disappointment this contradiction caused Mr F and I think Barclaycard should pay him some compensation to acknowledge this. I think £100 is a fair amount here.

My final decision

For the reasons above, I uphold this complaint in part. My final decision is that Barclays Bank UK PLC trading as Barclaycard should pay Mr F compensation of £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 31 May 2022.

Katy Kidd
Ombudsman