

## **The complaint**

Miss R complains that she was given incorrect information by Barclays Bank UK PLC trading as Barclaycard when she asked for help during the pandemic.

## **What happened**

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

*Miss R has a Barclaycard and a payment was due on 23 March 2020. Miss R called Barclaycard and explained she was unable to make the payment because her income had been impacted by the pandemic. The call handler told Miss R they could arrange for a temporary hold to be placed on her account for three months and that missed payments would be recorded on her credit file. But the call handler also said Barclaycard was looking at providing further payment holiday assistance shortly and credit files that were affected would be “remediated” once the new approach was brought in.*

*The payment that was claimed from Miss R on 23 March 2020 was recalled two days later. Miss R didn’t make any payments in April, May or June 2020.*

*In July 2020 Miss R complained and said she thought her account had been included in the revised payment holiday approach Barclaycard introduced in April 2020 that would’ve meant her credit file was unaffected. Barclaycard apologised and said Miss R had been incorrectly led to believe she would be contacted to apply for the revised payment holiday approach. Barclaycard accepted Miss R wasn’t contacted as promised. Barclaycard didn’t agree to amend Miss R’s credit file but offered her £50 to apologise for its call handler’s errors.*

*Miss R cleared the arrears of £702.83 in August 2020 to ensure Barclaycard didn’t continue to report them on her credit file.*

*Miss R referred her complaint to this service and it was passed to an investigator. They thought Barclaycard had dealt with Miss R’s complaint fairly and didn’t ask it to do anything else. Following that, Barclaycard offered to remove arrears markers for May, June and July 2020. Miss R didn’t agree and said Barclaycard’s offer should also include March and April 2020. As Miss R asked to appeal, her complaint has been passed to me to make a decision.*

## **What I’ve provisionally 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’ve reached a different decision to the investigator. Whilst I’m please Barclaycard more recently offered to amend Miss R’s credit file, I’m not persuaded its offer goes far enough or is a fair way to resolve her complaint.*

*I’ve listened to the call Miss R made on 23 March 2020. I’m satisfied the call handler heavily implied that the payment hold placed on Miss R’s account would be reviewed once*

*the revised guidance was introduced. The Financial Conduct Authority (FCA) published its payment deferral guidance for businesses on 2 April 2020 and Barclaycard introduced the new approach a week later. I'm satisfied the call handler led Miss R to believe her account would be reviewed and included in the revised approach. There was no requirement mentioned for Miss R to proactively get back in touch with Barclaycard or apply again online. I'm satisfied Miss R was led to believe Barclaycard would be in touch with the next steps.*

*Barclaycard took no further action to contact Miss R and her account remained on the existing payment hold. That meant missed payments were reported on Miss R's credit file. As I've said above, I'm satisfied Miss R was misled. So I need to think about what she would've done if she was given the right information during the call.*

*Had Miss R been told to contact Barclaycard again after it introduced the new guidance, I'm satisfied she would've done. It's clear Miss R wanted to put measures in place as her income had been directly impacted by the pandemic. I think Miss R would've called back or applied online if she hadn't been led to believe Barclaycard would contact her. And, I've not seen anything that indicates Miss R wouldn't have been approved under the FCA's payment deferral guidance.*

*As the FCA deferral guidance says, there should be no negative impact to a consumer's credit file because of the payment deferral. So once that guidance was in place, I wouldn't expect Barclaycard to record a missed payment on Miss R's credit file.*

*Barclaycard recently offered to remove the arrears information for May, June and July 2020. But I think that needs to go further and include April 2020 as well. Given the guidance came into effect on 2 April 2020 and Barclaycard introduced measures a week later, I see no reason why Miss R wouldn't have been included before her next payment was due, had she been asked to make an application. As a result, I intend to tell Barclaycard to amend Miss R's credit file and remove the April 2020 missed payment.*

*I don't intend to tell Barclaycard to amend the March 2020 missed payment. Ultimately, the FCA deferral guidance hadn't been introduced at that point. That meant Barclaycard's existing support plans were Miss R's only option. And whilst Barclaycard did agree to place Miss R's account on hold, it confirmed that under the existing approach a missed payment would be applied. As no payment was made to Miss R's credit card in March 2020 and there was no option to take a payment holiday without impact to her credit file, I think the missed payment for March 2020 was correctly recorded.*

*Miss R has explained she had to make a large payment to clear the arrears which caused difficulty at an already stressful time. Miss R has pointed out that the situation would've been different if she'd been approved for a payment holiday under the FCA deferral guidance. I agree. Given Miss R's circumstances at the time, I don't doubt that find sum to cover three months' payments was both distressing and inconvenient.*

*I can also understand how upset Miss R feels at being given misleading information at a time when she needed Barclaycard's support. So, as well as amending Miss R's credit file, I also intend to tell Barclaycard to increase the award from £50 to £200 for the distress and inconvenience caused.*

*I invited both parties to respond with any additional comments they wanted me to consider before I made my final decision. Miss R responded and said she feels Barclaycard should do more to resolve her complaint. Miss R explained she'd had to make up the payments covered by the payment holiday so has lost out financially. Miss R also said she'd done everything possible to resolve the situation.*

Barclaycard didn't accept either and highlighted two text messages it sent to Miss R following the introduction of the Payment Deferral Guidance in April 2020 which satisfied the agent's promise to get in touch.

### **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'd like to thank both parties for their responses. Miss R has explained she had to make up the missed payments in question so feels she lost out. But the FCA Payment Deferral Guidance didn't mean businesses had to stop charging interest. So even if Barclaycard had approved a payment holiday in April 2020 the balance would continue to accrue interest to be paid back at a later date. So whilst I can see Miss R made missed payments up, that's in line with the Payment Deferral Guidance. I've taken the inconvenience caused to Miss R into account when deciding how to fairly resolve her complaint.

Barclaycard has pointed out it sent two text messages to Miss R in April 2020 notifying her the Payment Deferral Guidance had been introduced. I can see Barclaycard did send messages to Miss R. But she's told us that, following her call with Barclaycard, she was under the impression her account would be reviewed and updated in line with the Payment Deferral Guidance once it came into effect.

I've relistened to the call in question. I'm satisfied Miss R was told her account would be included as part of a remediation approach by Barclaycard. I'm satisfied Miss R's view that she didn't need to take further action was reasonable. Whilst I note the text messages, I haven't been persuaded to change my view of how to fairly resolve Miss R's complaint.

### **My final decision**

My decision is that I uphold Miss R's complaint and direct Barclays Bank UK PLC trading as Barclaycard to settle as follows:

- Miss R's credit file so no missed payments for April, May, June and July 2020 are recorded
- Pay Miss R a total of £200 (less any compensation already paid)

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 13 April 2022.

Marco Manente  
**Ombudsman**