

The complaint

Mr B complains that he has missed payment markers on his credit file, relating to his mortgage with Barclays Bank UK PLC. Mr B said they shouldn't be there, because he was supposed to be on a payment holiday at the time.

What happened

Mr B told us that between March and April 2020, during the pandemic, his mortgage account went one month into arrears. He said he rang Barclays to arrange a payment holiday and was told that this would be set up, and backdated to cover this arrear. But Mr B said that Barclays didn't set up this payment holiday for him, and in the following months the account went further into arrears.

Mr B said that these missed payments, which he'd understood were covered by the payment holiday, were recorded on his credit file, so he was 3 months in arrears by June 2020. He thought that his credit file wouldn't have been impacted in this way if he'd been given the payment holiday, as agreed.

Mr B said he found out about the missed payments in March 2023 as part of a mortgage application. He complained, and he said that Barclays found he had been offered a payment holiday and the adviser had offered to backdate it. Mr B said Barclays offered £200 in compensation, but it wouldn't amend his credit file. Mr B said it should, since the account went further into arrears on believing there was a payment holiday in place.

Mr B wanted Barclays to remove the late payments from his credit file.

Barclays said something different, particularly about the times when Mr B had contacted it. Barclays said that Mr B had first missed a payment to his mortgage account in July 2019, then again in March 2020, May 2020 and June 2020. Barclays said it could see that Mr B had tried to speak to Barclays in July 2020 about a payment holiday, but the call cut off. The advisor couldn't call Mr B back, as it didn't have a current number he was using. Barclays said it emailed and wrote to Mr B, trying to re-establish contact to set up the payment holiday, but unfortunately the address it had on file for him wasn't right, and the letter was returned. Mr B then made a payment on 6 July 2020 to clear the arrears in full.

Barclays said that when Mr B later called back, he was told that Barclays could look to backdate the payment holiday request. But Barclays said that was a mistake. The arrears had already been cleared by the payment Mr B made in July 2020. There was no amount to capitalise and so Barclays said no further action could be taken in regards to this request.

Barclays said it had given Mr B wrong information on that last call, and it had offered him £200 for saying that it could update his credit file, when it didn't think that was appropriate. Barclays thought that the information reported to the credit reference agencies was accurate, and it wouldn't change it.

Our investigator didn't think this complaint should be upheld. He said when Mr B missed payments, Barclays wrote to him at the address it had on file. Mr B didn't update his address until some time after the events of this complaint.

Our investigator thought Mr B first rang Barclays about a payment holiday around 30 June 2020, but that payment holiday wasn't agreed. Barclays wrote to Mr B about this, and our investigator didn't think Barclays was wrong to use the address it had at the time. Mr B then paid the arrears in full.

Our investigator said Mr B then called Barclays around 25 November 2020 and asked if it could both approve and backdate a payment holiday request, so the missed payments didn't affect his credit file. Our investigator noted that Barclays accepted it had made a mistake, in telling Mr B this could be done, but our investigator thought that was the only mistake Barclays had made. He didn't think it had to change the information recorded at the credit reference agencies, and he thought that the payment Barclays had offered was consistent with the level of award we would usually see and make in these circumstances.

Mr B didn't agree. He said his recollection of events and timings was quite different to what Barclays had outlined. He wanted our service to ask Barclays to provide call recordings so we could verify some of its assertions. He said he hadn't received any letters or emails from Barclays, and his notes from the time were at odds with much of what we'd set out.

Mr B wanted his complaint to be considered by an ombudsman, so it was passed to me for a final decision.

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've reached the same overall conclusion on this complaint as our investigator.

Mr B says his recollection of events doesn't tally with what Barclays has told us, and he wanted me to obtain call recordings, to see if these supported what Barclays had told us. I haven't done that, because I don't think that's likely to assist here.

The internal notes that Barclays has sent our service, are consistent with the letters that it has shown us, which it says were sent to Mr B. And it's my view that those documents, as well as the payment history on Mr B's mortgage, do all support Barclays' version of events, which is that Mr B first contacted it to ask about a payment holiday at the very end of June 2020. By this time he was already some months in arrears, having missed payments for June 2019, March, May and June 2020. These arrears don't appear to have been made up until early July 2020.

I understand Mr B said that he didn't get any of the letters from Barclays which our service has seen, and forwarded to him. Barclays' internal notes also show that it had been trying for some time to trace Mr B. It had written to him to find out whether he lived at a different address, as early as October 2019. Mr B did later respond to Barclays' repeated prompts to update his details to this new address, but he didn't do so until 2021, which is after the events in question here. I don't think it's Barclays' fault if letters sent to Mr B in 2020 weren't received.

So I do think Mr B first contacted Barclays about a payment holiday in late June 2020. And I think it's most likely that, as Barclays has said, it didn't manage to talk to him about the

options he had at the time. Barclays has said it emailed and wrote to Mr B at this time, and he didn't respond. I don't think it's Barclays' fault that a payment holiday wasn't eventually set up for Mr B at this time. And I don't think Barclays made a mistake when it reported these missed payments, and resulting arrears, onto Mr B's credit file.

I understand that Mr B then contacted Barclays again in November 2020. He wanted Barclays to approve a payment holiday, and backdate it for several months to cover the start of 2020, when his account fell further into arrears due to missed payments in March, May and June 2020. I understand that Barclays said it would do this, and it has apologised to Mr B, because it says it shouldn't have told him this would be done.

I don't think Barclays had to agree, in the circumstances of this case, to both approve and to backdate a payment holiday, in the way Mr B would have liked. So I don't think Barclays' eventual decision, not to clear Mr B's credit file, was unfair or unreasonable.

I do think that Barclays has given Mr B some incorrect information here, and wrongly led him to believe that at least part of the arrears noted on his credit file for late 2019 and early 2020 would be cleared. But I think the offer of £200 that Barclays has made does provide a fair and reasonable outcome to this part of Mr B's complaint. So that's what I propose to award. It doesn't look as if Barclays has already paid this amount, which I can see it previously offered, but I'll allow Barclays to count towards this award any payment it's already made, in case it has done so more recently.

I know Mr B will be disappointed, but I don't think that Barclays has to amend his credit file and I don't think it has to pay more than it has previously offered, in this case.

My final decision

My final decision is that Barclays Bank UK PLC must pay Mr B the sum of £200 in compensation which it previously offered, if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 March 2024.

Esther Absalom-Gough

Ombudsman