

The complaint

Mr D complains that although Barclays Bank UK PLC trading as Barclaycard upheld his complaint about irresponsible lending it has said information about his account will remain on his credit file until the outstanding balance has been fully repaid.

What happened

Mr D raised a complaint with Barclays about irresponsible lending. He said that he shouldn't have been provided with a Barclaycard account. Barclays issued its final response dated 15 December 2023 upholding Mr D's complaint. It said that it had refunded all interest, fees, and charges and suspended future interest. It said that the account had been closed and that Mr D was required to pay the outstanding balance. It confirmed that it would update Mr D's credit file removing the account, once the balance had been repaid.

Mr D wasn't satisfied with the outcome and asked for his complaint to be reviewed again. Barclays issued a further final response letter dated 9 January 2024 confirming its position in regard to Mr D's credit file. It provided a breakdown of the amount refunded to Mr D and noted that a small amount of interest hadn't been included in the refund. It confirmed this amount had been credited to Mr D's account and paid him £25 as an apology for this mistake.

Mr D didn't think it fair that adverse information would remain on his credit file and thought this should be removed immediately. He referred his complaint to this service.

Our investigator noted that the parties had agreed that the credit card had been provided irresponsibly and considered the issue regarding the removal of negative information from Mr D's credit file. He explained that our usual approach in irresponsible lending complaints is to require the lender to remove negative information once any borrowed funds had been repaid. Having considered this case, our investigator didn't think there was any reason for the usual approach to change and as he didn't think that Barclays had acted unfairly or unreasonably in any other way, he didn't uphold this complaint.

Mr D didn't accept our investigator's view. He said there were other examples where this service had requested negative information be removed from the credit file even when a balance remained outstanding. He said he had expected all adverse information to be removed to the point of the final response and then Barclays to record information going forward until the balance had been repaid at which point all remaining information would be removed from his credit file. He said this had happened in previous complaints.

Mr D also said that after receiving a derogatory email from Barclays in June 2022, trust had broken down and he now didn't trust Barclays to remove the adverse information from his credit file.

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.

Mr D has referred to outcomes from other complaints which he feels support his case that the adverse credit information should be removed from his credit file even though a balance remains on his account. I note his comments, but I want to explain that we treat each case on its individual merits and, taking all relevant rules, regulations and guidelines into account, I make my decision based on the unique circumstances of the complaint.

Mr D's initial complaint was that Barclays acted irresponsibly by providing him with a credit card. Barclays accepted that the lending wasn't affordable for Mr D and upheld his complaint. As this position has been accepted by both parties, I haven't considered this further. However, Mr D wasn't satisfied that the actions taken by Barclays in response to his complaint were sufficient and so I have considered what action has been taken and whether Barclays is required to do anything further.

When an irresponsible lending complaint is upheld, we would expect the lender to refund all interest, charges and fees applied in relation to the irresponsible lending. In this case, Barclays has refunded these amounts. I note that there was a mistake in the initial calculation of the interest refund, and this was corrected and £25 compensation was paid because of this. I find this a reasonable response. As a balance remained on the account after the refund, we wouldn't expect there to be a payment of compensatory interest in this case.

Additional to the refund of the interest, charges and fees, we would expect Barclays to remove any adverse information from Mr D's credit file once the remaining balance had been repaid. I appreciate that Mr D doesn't consider this fair and says that a different approach has been taken in other complaints. But having considered the circumstances of this complaint I do not find that I require Barclays to do anything differently than the redress it has stated, that being that it will remove the information once the balance has been repaid.

I note the comments Mr D has made about losing trust in Barclays and I am disappointed to see the email that Mr D has provided with negative comments being made about him in June 2022. But I do not find that I have anything to suggest that this complaint has been dealt with incorrectly or that Mr D has been treated unfairly through this process. I note that Mr D is concerned about the removal of the information from his credit file but as Barclays has confirmed the information will be removed when the balance has been cleared, I do not find I can say it is required to do anything further. Because of this I do not uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 May 2024.

Jane Archer
Ombudsman