

The complaint

Mr S complains Barclays Bank UK PLC have placed an incorrect marker on his credit file.

What happened

Mr S's credit file shows a "hard" search by Barclays took place on the 27th of February 2024 in relation to an application for a current account. Mr S said he hadn't made any application then and asked Barclays to remove it.

Barclays investigated and sent Mr S a final response ("FRL") to his complaint. It didn't uphold the complaint. But, as it was unable to clarify the exact nature of what had happened, Barclays requested its Credit Reference Agency Team to remove the hard search. When this didn't happen Mr S referred the complaint to us.

Our investigator upheld the complaint as she was more persuaded by the evidence sent by Mr S - namely his credit report. To put things right she thought Barclays should correct the entry by asking the Credit Reference Agency ("CRA") to remove it and to pay Mr S £100 compensation for the distress and inconvenience.

Mr S initially accepted the determination. Barclays agreed to look into removing the search and asked for the reference with the credit file entry. It also agreed to the suggested compensation. Mr S subsequently found, when checking with the CRA, the entry hadn't been removed. He then asked to lodge a further complaint regarding a breach of article 16 of GDPR, the time taken to resolve this matter and unlawful access to his data. And he contacted The Information Commissioners Office. Barclays objected to him raising further complaint points. Mr S then told us he no longer accepted the investigators suggested resolution.

The case has come 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.

It's important to frame at the outset what I'm able to look at in this decision. Although Mr S raised further points detailed above after the investigators view Barclays objected to us considering these. So, I can't deal with those points here.

Barclays accept the investigators view and say they are happy to look at deleting the search and to pay Mr S the compensation recommended. So, I'm satisfied on the merits of this complaint that it should be upheld and Mr S compensated for the distress and inconvenience he's suffered. The current issue is that, despite Barclays taking this stance, the search remains on Mr S's file and is causing him considerable distress.

Although there's an entry on Mr S's credit file for a search on 27th February 2024 by Barclays, it isn't able to show me an application relating to that. It can find no trace to an

application at the time and Mr S says there wasn't one. To remove something Barclays accepts should be removed, it is now asking Mr S to provide the application reference number or the full credit report so it can locate the search. I don't think that's reasonable and I'll explain why.

As far back as 29 March 2024 - when sending the FRL and agreeing to request their Credit Reference Agency Team to remove the hard search - Barclays had screen shots of the relevant parts of Mr S's credit file as they acknowledge he'd provided it.

In addition, now asking Mr S for the application reference - when he says there wasn't one - seems to me to be asking him to prove a negative and, I think, puts him in an impossible position. As our investigator has highlighted Mr S is caught between Barclays - who can find no application but want proof it to remove it - and the CRA who won't remove the entry on Mr S's requests alone and need something from Barclays to action the removal. I find Barclays position here unreasonable. Despite their acceptance of the investigators view and their records showing a decision as far back as 29 March 2024, to remove the entry, this hasn't been done.

In respect of the impact this particular search has had on Mr S's credit score - he says it's been lowered as a result of this entry by Barclays - I think the position is less clear. A number of factors will be taken into account by a CRA, over any given period of time, that can impact on an individual's score. And I haven't seen anything to show the score has been lowered as a direct result of this entry. So, like our investigator, I'm not persuaded on this part of the complaint.

Overall, for the reasons I've given, I think Barclays should correct this situation by removing the entry from Mr S's credit file for the search on 27 February 2024. I agree the inconvenience suffered by Mr S warrants some compensation. I think the amount of £100 is reasonable and the sort of amount I'd have recommended had it not already been suggested by the investigator.

Putting things right

Barclays should correct this situation by removing the entry from Mr S's credit file for the search on 27 February 2024 and should pay Mr S £100 compensation for the distress and inconvenience.

My final decision

My final decision is that I uphold this complaint. Barclays Bank UK PLC must remove the entry for their search dated 27 February 2024 and pay Mr S £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 2 September 2024.

Annabel O'Sullivan
Ombudsman