

The complaint

Mr S complains Barclays Bank UK PLC trading as Barclaycard gave him misleading information and refused to take a payment he offered to bring his account up to date. Because of this, he says they're unfairly reporting late payments to credit referencing agencies (CRAs) and incorrectly defaulted his account.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

Having considered everything provided by both parties, I'm not upholding Mr S' complaint. I know this will come as a disappointment to him, but I'll explain my reasoning below.

Barclays has already accepted that in mid-December 2023, their agent incorrectly told Mr S he could come back to them by the end of December 2023 to go through an income expenditure. This was the wrong advice as the process of defaulting Mr S' account had already started. To put things right, Barclays removed the default from Mr S' credit file and paid him £200 in recognition of the distress and inconvenience their mistake caused.

While the default has been removed, late payment markers are still being reported by CRAs. Mr S is unhappy about this because he says he wasn't told his credit file would be impacted when his account went on hold in October 2023 – despite asking about this specifically. He's also said Barclays refused his £1,200 payment in December 2023. Had they accepted this at the time he offered, he wouldn't have late payment markers on his credit file. So, I've had to consider if:

- Barclays gave Mr S misleading information about what would be reported to CRAs.
- If they did give misleading information, whether the correct information would have prevented late payments being reported to CRAs.

I've listened to recordings of the calls between Mr S and Barclays during the period of time complained about. Having done so, I can't agree Barclays' agent told Mr S his credit file wouldn't be impacted by the 60-day hold. In fact, I'm satisfied they clearly explained late payment markers would be reported if he didn't make his contractual payments.

Following our Investigator's involvement, Mr S has now accepted he may have misunderstood what was explained to him during this October 2023 call. So, given Barclays' agent wouldn't have been aware of Mr S' misunderstanding at the time, they didn't have the opportunity to explain things in a different way to ensure Mr S wouldn't be surprised by late payment markers when he reviewed his credit file. In addition to this, Barclays sent Mr S a

letter about the 60-day hold. This explained late/missed payments would be reported to CRAs. So, I'm satisfied Mr S was provided with the correct information at the time his account was put on hold in October 2023. Because of this, I can't fairly conclude Barclays needs to do anything further to resolve things regarding what they explained to Mr S in October 2023.

Both parties accept Mr S didn't make a payment in November 2023, because this was during the 60-day hold. As such, I would expect a business to report the same to CRAs. That's because a credit report is meant to accurately reflect how a consumer is managing their accounts. Therefore, I don't consider Barclays has treated Mr S unfairly by accurately reporting he didn't make a payment in November 2023.

Mr S complains Barclays refused his £1,200 payment in December 2023, and their decision to do so has impacted his credit score. However, I've seen nothing to suggest Barclays reported late payments after November 2023. The only thing that was reported after that date was the default. But that has now been removed, so I've not seen enough to persuade me that Barclays' actions are continuing to unfairly impact Mr S' credit score. As mentioned above, they are correctly reporting a missed payment from November 2023.

It's not unusual for a late payment marker to negatively impact a consumer's credit score, and I understand why that is disheartening given Mr S' proactivity in trying to manage his finances after he lost his job. However, Mr S' testimony and the content of his calls with Barclays in October 2023 suggest he wasn't in a position to make a payment in November 2023. So, regardless of Barclays' later mistakes, it's more likely than not, Mr S would have always found himself in his current position regarding the late payment marker for November 2023 and his credit score.

While Barclays made mistakes, I'm pleased to see they took steps to rectify them shortly after Mr S raised his concerns with them. Given the timeframes involved, I'm satisfied the £200 Barclays paid Mr S for distress and inconvenience is in line with what I would have suggested had they not already taken steps to resolve matters.

I know this isn't the outcome Mr S hoped for. But in light of the above, I won't be asking Barclays to do anything further to resolve his complaint.

My final decision

My final decision is that I'm not upholding Mr S' complaint about Barclays Bank UK PLC trading as Barclaycard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 January 2025.

Sarrah Turay
Ombudsman