

The complaint

Mr H is unhappy with how Barclays Bank UK PLC, trading as Barclaycard ('Barclaycard') have engaged with his queries about his credit card agreement and how they have reported his credit card to the credit reference agencies (CRAs).

What happened

Mr H opened a credit card account with Barclaycard in 2004.

In 2021 Mr H fell behind with his payments, but brought the account up to date, until he needed to arrange a payment plan with Barclaycard in 2022 after falling behind again with his payments. At the time of arranging the payment plan, Mr H's outstanding balance on the card was around £8,000.

Mr H made the required payments under the arrangement for several months until March 2024. And due to no payments being made to the account in the following months, by the end of August 2024 Barclaycard had reported Mr H's account as defaulted to the CRAs.

In late July 2024, Mr H contacted Barclaycard with several queries about their practices in setting up credit agreements and some questions about this in relation to his credit card. Barclaycard did not reply to Mr H's queries until April 2025. Barclaycard responded separately to Mr H's concerns regarding a complaint about the time taken for them to respond to his queries. Mr H did not accept or agree with either of the responses from Barclaycard.

Our Investigator considered Mr H's concerns about the validity of the debt, whether the default was fairly applied and Barclaycard's delays in responding to Mr H's queries.

The Investigator upheld Mr H's complaint in part, as while they did not find that Barclaycard had done anything wrong or acted unfairly when they reported Mr H's account as defaulted, they did find Barclaycard had fallen short in their customer service when responding to Mr H's queries, and so they proposed Barclaycard pay Mr H £300 to reflect the inconvenience and upset caused to him.

Barclaycard replied to the Investigator's view and offered nothing further for the Investigator to review in relation to the matters the Investigator had considered. Barclaycard accepted the Investigator's proposal to pay Mr H £300 to settle the complaint. Mr H did not agree with the Investigator's view.

Amongst the reasons Mr H disagreed with the Investigator's findings were that Barclaycard had failed to be transparent and honest with how they had set up the credit agreement and they had failed to provide an original copy of it. Mr H said it was unfair for Barclaycard to report a default while his complaint had not been resolved and it was affecting his financial standing. Mr H said Barclaycard had breached various legislation and regulatory requirements.

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 done so, I have reached the same outcome as our Investigator for broadly the same reasons.

While I may not respond to each individual point either party has raised, and I have only included a summary of what has happened above, I assure both parties I have reviewed all their submissions and evidence. In my findings I have focused on what I consider to be relevant to reaching a fair and reasonable resolution in the circumstances of this matter.

Having reviewed Mr H's submissions I think it important to set out the limitations of my role here. The Financial Ombudsman Service was set up as an informal dispute resolution service to resolve individual complaints based on what is fair and reasonable in the circumstances of the individual complaint. It is not, therefore, my role to interfere with a firm's processes, systems or controls and nor is it for me to fine or punish a firm – these are all considerations for the appropriate regulator. It is also not for me to decide if a law has been breached – that is for a court to decide.

To decide what is a fair and reasonable resolution, I have taken into account any relevant law and regulations; regulators' rules, guidance and standards; codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Like our Investigator I have also considered Mr H's credit agreement; whether Barclaycard fairly reported Mr H's account as defaulted when they did and the service Mr H received from Barclaycard.

Credit agreement

I'm aware Mr H has made several detailed submissions about Barclaycard's practices and in turn how these practices should be considered in relation to his credit agreement. I realise Mr H feels strongly about the points he has made, but I want to make clear that I am not here to regulate Barclaycard or to review anything related to their wider business practices. From my review I think it fair to say Mr H did enter into a regulated credit agreement with Barclaycard and, in the circumstances, it would therefore be reasonable for Barclaycard to approach Mr H for any outstanding sums on the account.

Mr H has said as part of his resolution to this matter he wishes to see the original credit agreement and terms and conditions, otherwise the agreement cannot be held to be enforceable. Given the time passed since the account was opened it is perhaps not surprising that the original agreement is not available. However, I've seen that Barclaycard sent Mr H a reconstituted copy of the regulated credit agreement and accompanying literature, which set out Mr H's responsibility to pay at least the minimum monthly payment each month, when due.

Mr H opened the account with Barclaycard in 2004, and through copies of statements that have been provided spanning a number of years, it is apparent Mr H used the credit facility, had the benefit of those funds, and made payments to the account for the monies he had borrowed. Mr H also maintained his payment arrangement with Barclaycard until 2024.

In short, while the original credit agreement has not been made available, I am persuaded Mr H entered into a regulated credit agreement with Barclaycard and that he has acknowledged the debt he owes to Barclaycard through the payments he has made. And it

follows that it is reasonable for Barclaycard to approach Mr H for repayment of the outstanding debt. At the time the account was closed in August 2024 the balance was around £5,000.

So in the circumstances I've not seen enough here to say Barclaycard have acted unreasonably.

I've gone on to consider whether Barclaycard were entitled to report the account as defaulted when they did, and whether in the circumstances it was fair of them to do so.

Default

I am aware Mr H has submitted Barclaycard were wrong to report the account as defaulted while his queries and complaint were being considered. However, there is nothing to say Barclaycard needed to hold off reporting the account as defaulted while a complaint was being looked into. So I've not seen enough to say they have done anything wrong on this point.

The industry recognises, as per the principles of the Information Commissioner's Office (ICO), that where the expected payment is not made by the agreed time and / or for the agreed amount, then the account can be reported as being in arrears. The ICO's principles further set out that a default may be reported usually when the account is three months in arrears, and normally by the time the account is six months in arrears.

Mr H made a payment to the account on 29 February 2024, but then did not make any further payments. Barclaycard sent Mr H a default notice on 16 July 2024 asking Mr H to pay £439.60 (the total of four arrangement payments) by 13 August 2024 otherwise Barclaycard would consider taking further action including closing Mr H's account, demanding payment of the full balance, reporting the account as defaulted to the CRAs and possibly passing his account to a third-party debt collector.

This was not the first time Mr H had received a default notice as it appears one was sent to him in May 2021, and Mr H took action to clear the required amount by the required date and so prevented a default at that time.

However, as no payment was made following the July 2024 default notice, by 29 August 2024 Barclaycard had reported the account as defaulted to the CRAs due to no payments being made, they closed Mr H's account and moved the account to their recoveries team.

In the circumstances, Barclaycard were entitled to report the account as defaulted to the CRAs when they did given the number of months in arrears that had built up before the account was reported as defaulted, and I think it was fair of them to do so given Mr H had not made the required payments under the arrangement which had therefore broken.

So I've not found enough here to persuade me that Barclaycard acted wrongly or unfairly in reporting Mr H's account as defaulted to the CRAs when they did.

Lastly I have considered Barclaycard's engagement with the queries Mr H raised via their CEO's office in July 2024.

Customer service

Mr H raised his queries with Barclaycard in July 2024, but he did not receive a response to his queries until April 2025 (after this service's involvement). As noted earlier, the response

came from Barclaycard's solicitors as Barclaycard had determined Mr H's queries were not straightforward and some were legal in nature.

I don't think it was unreasonable for Barclaycard to have engaged their legal team to respond to Mr H. However, I think the response took longer than might reasonably be expected and Mr H was not kept informed of what was happening, nor his expectations managed which I think it fair to say caused him the inconvenience of having to take more steps to seek out a response.

Barclaycard have accepted their shortcomings here.

Mr H suggests Barclaycard purposefully delayed their response in order for enough arrears to build so that the account could be reported as defaulted. I've not seen anything to persuade me of this, particularly as at the time Mr H raised his queries, the account had already reached a level of arrears that would have entitled Barclaycard to report the account as defaulted.

Our Investigator proposed Barclaycard pay Mr H £300 to recognise the inconvenience and upset caused to Mr H by taking such time in responding to his queries. In the circumstances I think this is fair. While not having an answer was frustrating and upsetting for Mr H, Mr H's account has not been affected by this delay. As I've noted, it had already reached the threshold to be reported as defaulted and Mr H was not being charged interest on the account.

I realise this will not be the outcome Mr H is looking for, but I have not found enough to persuade me Barclaycard have done something wrong or acted unfairly in approaching Mr H for payment of the outstanding debt, or reporting his account as defaulted to the CRAs when they did. Although there were shortcomings in Barclaycard's customer service as I've referred to above.

Putting things right

Barclays Bank UK PLC, trading as Barclaycard should pay Mr H £300.

My final decision

My final decision is that Mr H's complaint is upheld in part, and Barclays Bank UK PLC, trading as Barclaycard should put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 December 2025.

Kristina Mathews
Ombudsman