

The complaint

Miss Q complains that Barclays Bank UK PLC reported negative information to the credit reference agencies (CRA's) about how she had managed her overdraft account.

What happened

Miss Q had an overdraft account; she was aware that it remained in a negative balance and because of this her arranged overdraft facility was removed. However, she feels that the information Barclays provided to her about how it would report this to the CRA's wasn't clear.

Miss Q adds that following a phone call with Barclays, she was under the impression that breathing space had been applied to her account, and that she would receive a default notice in September 2024. However, she only received a letter of termination in October 2024 and said when she spoke to Barclays following the termination letter, she wasn't given the opportunity to prevent further damage to her credit file.

To put things right, Miss Q wants her credit file amending, and compensation.

Barclays considered Miss Q's complaint, but it didn't think it had done anything wrong. It explained that it thought it had communicated the credit file impact to her in calls and letters. And that it has explained to Miss Q when the account would default, and that she'd have 30 days from this date to agree a repayment plan before it would be reported on the credit file. It explained that the information it was reporting to the CRA's is accurate and therefore it wouldn't change this.

An Investigator considered the evidence provided by both parties, but they didn't uphold Miss Q's complaint. Ultimately, they felt that Barclays were correctly reporting to the CRA's, and that Barclays had explained to Miss Q that it would report information to the CRA's which may affect her ability to obtain credit in the future.

Miss Q didn't agree with the Investigators view. She said she was told by Barclays that she didn't have to pay anything when she was in breathing space and that she didn't have to pay until she had communicated with Barclays again when she was able to start making repayments. She said she spoke to advisors both before and after the call in July 2024, which caused more confusion. She thought that Barclays would just report her as having been in a payment plan, like other companies do.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

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 all of the available evidence, I don't uphold Miss Q's complaint.

I'll start by saying that Barclays is required to report accurate information to the CRA's – which is what it has done here. When an account hasn't been managed in line with the terms and conditions, this will be reported to the CRA's. In this instance, when Miss Q's overdraft was removed in May 2024, it put the account into an unarranged overdraft position which meant the balance was due immediately. Each month the full balance wasn't paid back, Barclays were required to report this to the CRA's. There isn't anything unfair or unreasonable about this.

I've looked at the communication Barclays sent Miss Q. It is clear in setting out what she was required to do before it would take further action. Some of the letters I've seen refer to information being reported to the CRA's, which might make it more difficult for her to get credit in the future. So, in my view, it was sufficiently clear that her credit file would be impacted. And I don't think Barclays needed to go into further detail here to explain how it would be impacted.

I note Miss Q might have thought that Barclays would report her in an arrangement to pay, like other creditors had done. But even if it had done this, it could still continue to report arrears, which it has, and isn't wrong.

When Miss Q spoke to Barclays in July 2024, it became clear that due to her situation at the time, she couldn't afford to pay anything towards the balance. Barclays explained that she didn't have to pay anything as she had very little disposable income – it wouldn't be reasonable of it to have asked Miss Q to make repayments when it was aware she couldn't. But equally, while it didn't require repayments from her while she couldn't afford it, it doesn't mean it was wrong to report that the balance hadn't been paid back – and I note it explained to her that the account could default still. Ultimately, Miss Q couldn't afford to make repayments, and so even if she had received more information about the impact to her credit file, I find it unlikely this would have changed the position of her credit file, given that she simply couldn't make the repayments.

Overall, I haven't found that Barclays has done anything wrong. It has reported accurate information to the CRA's and it explained that it would report how she managed her account to the CRA's – which it also explained could make it more difficult for her to obtain credit in the future. It follows that I don't uphold her complaint.

My final decision

For the reasons set out above, I don't uphold Miss Q's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Q to accept or reject my decision before 2 February 2026.

Sophie Wilkinson
Ombudsman