

The complaint

Mr P complains that his credit card with Barclays Bank UK PLC trading as Barclaycard wasn't amended with the credit reference agencies to show it was settled in good time.

What happened

Mr P had a Barclaycard and on 19 October 2022 repaid the outstanding balance in full. Mr P asked Barclaycard to close the credit card and expected his account to show it was settled with the credit reference agencies. But Mr P has explained that when he checked his credit file the credit card was still showing as open with an outstanding balance. Mr P also found the credit card was showing as open on his online banking app.

Mr P contacted Barclaycard and raised a complaint. Barclaycard issued a final response on 20 December 2022 and explained that the credit card could show as open for up to 60 days on the app despite being repaid. And Barclaycard said the credit reference agency update could take up to six weeks to show. Barclaycard apologised for any poor service or conflicting information Mr P was given and paid him £50 for the distress and inconvenience caused. Barclaycard also refunded a credit balance received on another closed credit card on 20 December 2022.

Mr P's explained that when checking his credit file on 21 December 2022 the account showed as open and had an outstanding balance.

Further contact was made with Barclaycard in the weeks that followed and Mr P attempted to raise another complaint in January 2023. In February 2023 a refunded insurance payment made Mr P's a closed credit card was received. Barclaycard refunded the payment along with £40 compensation on 1 April 2023. But no follow up final response was issued. Barclaycard says it had already responded to Mr P's complaint in December 2022 when it issued its final response.

An investigator at this service looked at Mr P's complaint. They said Barclaycard had provided systems records to show the credit card had been repaid on 19 October 2022 and reported to the credit reference agencies as claimed. The investigator didn't uphold Mr P's complaint.

Mr P forwarded a screen print from his credit file dated 21 December 2022 that showed the credit card remained open with an outstanding balance. Mr P pointed out this is more than six weeks after his credit card had been repaid and closed. Mr P added that the credit card remained open on his online banking app. As Mr P asked to appeal, his complaint has been passed to me to make a 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I can understand why Mr P is frustrated that his credit file wasn't updated as quickly as he expected. Barclaycard's final response dated 20 December 2022 says it was correctly reporting that Mr P had repaid and closed his credit card on 19 October 2022. But Mr P obtained a credit report on 21 December 2022 and it still showed that his credit card was active, with an outstanding balance. But I think it's fair to note that the data on Mr P's credit report was recorded as being updated on 6 November 2022, around three weeks after the credit card was repaid.

I have to balance the credit file information against Barclaycard's systems information that shows his credit card was recorded as closed and settled on 19 October 2022. Barclaycard has explained that credit file data is reported a month in arrears and that the data is compiled at the end of the month before being sent to the credit reference agencies. Once the information is sent, there is a lag of around six weeks before it is reflected on the credit file.

Whilst I can understand why Mr P remains concerned the update wasn't applied in a reasonable time, I'm satisfied Barclaycard did update his records with the credit reference once the credit card was settled.

Mr P's told us that the issue caused him difficulties when looking at mortgage options. But I haven't seen any evidence that shows Mr P was delayed or declined when seeking new mortgage arrangements. And without any evidence of a financial loss, I'm unable to award Mr P compensation on that basis.

Mr P's queried why his credit card appeared open on his app. Barclaycard's confirmed that when it received refunds to Mr P's closed credit card it temporarily credited them to his account. That means credit cards can appear active on the app, but remain closed. I'm satisfied Barclaycard has reasonably explained why Mr P's account appeared open on the online app.

Mr P has also told us that he received correspondence from Barclaycard that was meant for another customer and that he believes this is a data breach. I take Mr P's point. But as a service, we can only look at complaints from the consumer who has referred the matter to us. Whilst I understand Mr P received correspondence meant for another customer that caused him concern, I haven't found grounds to award additional compensation for the distress and inconvenience caused.

Barclaycard paid Mr P £50 when it issued a final response on 20 December 2022 and a further £40 for issues with the service provided in April 2023. In my view, the total compensation paid of £90 reflects the level of distress and inconvenience caused to Mr P and is a fair and reasonable way to resolve his complaint. Whilst I agree that the service fell short at times, I'm satisfied Barclaycard has already agreed a settlement that is fair and reasonable in all the circumstances. As I'm satisfied Barclaycard has correctly reported the settlement date of Mr P's credit card and agreed fair compensation, I'm not telling it to do anything else.

My final decision

My decision is that Barclays Bank UK PLC trading as Barclaycard has already agreed a settlement that is fair and reasonable in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 5 October 2023.

Marco Manente
Ombudsman