

The complaint

Miss B complains Barclays Bank UK PLC trading as Barclaycard (Barclays) unfairly registered missed payments on her credit file.

What happened

Miss B says following losing her job in June 2021 as a result of the Covid pandemic, she experienced financial difficulties and via a debt management company she put in place a payment arrangement with Barclays. Miss B says when she attempted to arrange a balance transfer from Barclays to another provider she wasn't able to as her credit file had two missed payments recorded against her. Miss B says she made several attempts to discuss this with Barclays, but it failed to respond to her complaints. Miss B says while Barclays have more recently acknowledged her complaint it says it never received any previous request for support nor received her subsequent complaints.

Miss B feels Barclays have a responsibility to support its customers, and so it should remove the adverse entries from her credit file, refund any interest applied to her credit card account from January 2022 and compensate her for the stress and poor service she received.

Barclays says it has no record of any requests from Miss B for a formal payment arrangement on her credit card account, and the email address she had used to raise the complaint were sent to an invalid email address. Barclays says Miss B missed payments in November 2021 and December 2021, but these were only recorded in January 2021 and February 2022, due to delays. Barclays says it has a responsibility to accurately report missed payments to the relevant credit reference agencies (CRA's) and it has done nothing wrong. Barclays confirmed interest was accruing on the credit card account but if Miss B wanted to discuss her options she should contact its specialist support team.

Miss B wasn't happy with Barclays' response and referred the matter to this service.

The investigator looked at all the information but didn't uphold the complaint. While the investigator understood Barclays' responsibilities to support its customers under the Financial Conduct Authorities (FCA) guidance referred to by Miss B, he felt there was no evidence to show she'd ever discussed this with them or had a formal payment arrangement put in place. The investigator says Barclays have a responsibility to accurately record missed payments to the credit reference agencies.

The investigator didn't feel Barclays had acted unfairly when reporting the missed payments on her credit file.

Miss B didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting for Miss B to have discovered her credit file had been marked with two missed monthly payments even though she'd believed Barclays had come to an arrangement to support her during this difficult time.

When looking at this complaint I will consider if Barclays acted fairly when it recorded two missed minimum monthly payments on Miss B's credit file.

Miss B and Barclays have provided this service with comprehensive details of the course of events here and while that has proved helpful, I won't be commenting on every point made as I don't feel it's necessary in order to come to a full and impartial decision here. That's not to say I haven't considered everything said – I have.

Miss B's complaint centres around the fact that Barclays haven't provided the support she needed, in accordance with the FCA guidelines surrounding the Covid pandemic, when it registered two missed payments on her credit file at a time when she was looking for financial help from them.

The first thing to say here is the FCA provided guidelines to all banks in March 2020 and this support guidance for financial support was eventually extended until the end of March 2021. So here when Miss B contacted Barclays in late October 2021 there was no formal Covid payment holiday guidance in place at that time. That's not to say this service wouldn't expect banks like Barclays to offer forbearance when its customers get into financial difficulties and on balance I am satisfied it did that here and I will explain why.

It's worth mentioning that Miss B says she sent a copy of her debt management charity (DMC) proposal to Barclays which it says it never received and this was discussed in a telephone conversation in early November 2021. In that conversation it was explained by the Barclays agent to Miss B that even if such a document had been sent it would still need to discuss the account with her. In that same telephone call, it was established Miss B hadn't formally appointed the DMC to deal with her creditors on her behalf and she simply wanted a payment suspension until her job prospects had improved.

It's important to say here that in any event Miss B's income at that time didn't meet her outgoings so with that in mind it wouldn't have been possible for Barclays to set up a payment plan as it would have been unaffordable, so it agreed to a temporary 30 day hold with no interest or fees on the understanding Miss B would get back to them before that time to discuss her position. The agent during that call explained that late payments would be recorded on her credit file. I can also see that following that call Miss B was sent a letter confirming the arrangement and reminding her that her credit file would be affected.

Following this in early December 2021 Miss B speaks again with Barclays looking for a three month hold but she was informed given her financial negative income position, that this could only be put in place if the DMC was formally acting on her behalf – but it wasn't so a further 30-day hold was agreed.

This phone call was followed up in mid-December 2021 where Miss B explains she was waiting on the outcome of a job interview, and she was told to call back at the end of December 2021 for an update and this was confirmed in writing.

I can see Miss B telephoned Barclays in late December 2021 to go over her income and

expenditure and it was explained as she hadn't yet started her new job a further 30-day hold would be put in place and no interest and charges would be applied during that time, but her credit file would be affected, and she should call back before that time. This was followed up in writing where it was again explained that her credit file would be affected by this arrangement.

From the information I have seen in mid-January 2022 Miss B made a payment to her credit card account for the full minimum payment required of in excess of £800, but there's no evidence Barclays asked for this, nor that Miss B asked for any further assistance before making that payment.

So, while I have some sympathy with Miss B here, there's no evidence to suggest a formal payment plan agreement had been put in place with the DMC and Barclays by Miss B, simply a holding arrangement was agreed until Miss B secured employment – after all a plan like this wasn't possible as it was established her monthly income didn't meet her monthly outgoings, unless she wanted to enter into an Individual Arrangement, which in all probability would have been more damaging to her credit file. So here, I'm satisfied Barclays did provide the level of forbearance I would expect in these individual circumstances, and on balance it was only able to offer a temporary hold arrangement. While Miss B may not agree, that doesn't mean Barclays shouldn't accurately record these two missed payments on her credit file as it is obliged to do – I'm also satisfied from the telephone calls I have listened to and the letters referred to above, that Miss B was made aware this would happen.

While Miss B will be disappointed with my decision, I won't be asking any more of Barclays.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 4 October 2023.

Barry White
Ombudsman