

The complaint

Mr M complains that Barclays Bank UK PLC trading as Barclaycard took too long to update the Credit Reference Agencies (CRA's) when his credit limit was increased.

What happened

Mr M says he is unhappy with the time Barclaycard took to update the CRA's. He said he applied for an increased credit limit, so his credit usage would look better and improve his credit rating when he applied for a mortgage, but this took months to be reflected with the CRA's, which he feels he lost a property as a result of this. Mr M made a complaint to Barclaycard.

Barclaycard partially upheld Mr M's complaint and credited £100 to his account. They said the data they send to the CRA's is extracted at the end of each month and they retain this information for 14 days before a report is generated, to check if any customers who have missed their payment due date have paid within 14 days. They said if they had, they report that they paid on time due to their Grace Day Extension policy. Barclaycard said the information is then sent to the CRA on approximately the 14th day of the month and they take approximately one week to review the data, with the update usually showing on the customer's credit file between the 21st and 28th of the month. Barclaycard said they provided poor customer service when Mr M tried to increase his credit limit as he hadn't received call backs from them, and he had calls disconnected.

Mr M brought his complaint to our service. Our investigator did not uphold Mr M's complaint. She said Barclaycard had not made an error with reporting the updated credit limit as Barclaycard had followed their process for this.

Mr M asked for an ombudsman to review his complaint. He believes Barclaycard have let him down as his mortgage application was delayed by three months. He said a credit limit was increased with a third party provider on the same day as Barclaycard, and they updated the CRA's, but Barclaycard had taken a lot longer. He said he contacted Barclaycard numerous times and let them know this was needed for his mortgage application, but they took months before updating him.

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'd like to explain to Mr M that it is not within this service's remit to tell a business how to run their processes or procedures such as updating CRA's with credit limit increases. It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct Barclaycard to make changes to their policies and procedures, if necessary.

Mr M has mentioned how another credit limit he increased with another provider on the same day as his Barclaycard was updated quicker with the CRA's than his Barclaycard account. But different financial institutions may have different procedures as to how they

update the CRA's. This doesn't necessarily mean that one procedure is right and one is wrong though. Here I can only look into whether Barclaycard have made any errors, as this is the company that Mr M is solely complaining about here.

I've considered what Mr M has said about having to chase Barclaycard to update the CRA's. But I'm not persuaded that he needed to do this. While I can understand why he did this as this wasn't showing on his credit report, the evidence shows that Barclaycard had already updated the CRA's that his credit limit had increased.

From the evidence Barclaycard has shared with us, I can see that the credit limit increase was put into effect on 16 November 2022. And I'm satisfied that Barclaycard have followed their process for Mr M's credit limit increase. I say this because the information I can see they provided to one CRA informed them of the credit limit increase in December 2022. So as they extract the data at the end of the month and retain this information for 14 days before a report is generated and send this on approximately 14th day of the month, then it appears that Barclaycard have followed this process. And while I can empathise with Mr M that this wasn't showing on the credit file that he was viewing, it would be out of Barclaycard's control with when the individual CRA's displayed this information to Mr M.

Mr M has said that this affected him as he lost a property by having to delay a mortgage application. But he would have been able to demonstrate to the mortgage provider that the credit limit was increased on 16 November 2022 even if it wasn't showing with the CRA's yet as it's likely he would've been able to take a screenshot of his Barclaycard account when the credit limit increased. Mortgage providers would consider a number of different things in order to approve mortgage lending. So while the increase may have helped his credit utilisation, it's unlikely that a £2,000 credit limit increase not showing on a credit file at that stage would be the sole reason to affect a mortgage approval, especially when Mr M's credit file screenshot that he sent us shows he was only at around 8.5% credit utilisation (£5,224 total outstanding credit card balances vs £61,400 total credit limits) when his Barclaycard limit was showing as £10,000 still on his credit file. The extra £2,000 in credit limit would reduce his approximate credit utilisation from 8.5% to 8.2% if his Barclaycard showed a £12,000 credit limit (and therefore increase his total credit card limits from £61,400 to £63,400). But regardless of this, I can't say that Barclaycard made an error in how they reported his credit limit to the CRA's.

Barclaycard have said they credited £100 compensation to Mr M's account due to him not getting call backs and the line being disconnected. This would have been distressing for Mr M and it would have inconvenienced him by having to contact Barclaycard about this, so I'm satisfied that compensation was due to him for their service failings. But as £100 is in line with what I would have awarded him for this had Barclaycard not recognised that they let Mr M down here, it follows I don't require Barclaycard to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 1 August 2023.

Gregory Sloanes
Ombudsman