

The complaint

Mr T complains about five missed payments reported to credit reference agencies by Moneybarn Limited (“Moneybarn”) in respect of a conditional sale agreement (“agreement”) he has with it.

What happened

Moneybarn has reported to credit reference agencies that Mr T missed payments in respect of his agreement with it in the following months.

- December 2018
- March 2019
- April 2019
- May 2019
- September 2019

After Mr T complained to it, Moneybarn issued two final response letters (“FRL”) saying it didn’t believe it had done anything wrong in reporting what it had to credit reference agencies. The first FRL, dated 2019, addressed the first four entries (December 2018 to May 2019) and the second FRL, dated 10 April 2020, addressed the fifth entry (September 2019).

Mr T’s complaint was considered by one of our investigators. In summary he came to the view that Mr T had complained too late to our service about the first four entries and Moneybarn had done nothing wrong in recording what it had done in respect of the fifth entry.

In January 2021 I issued a decision concluding that our service only had the power to consider Mr T’s complaint about the fifth entry recorded with credit reference agencies by Moneybarn and not the first four. And that I would go on to consider the merits of this complaint in due course. I’ve now done this.

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 can confirm that I’ve come to the same view as the investigator and for the same reasons. There is also very little I can usefully add to what has already been said.

Based on what both parties have said and submitted I'm satisfied that:

- In early-August 2019 Mr T was one month in advance on his agreement payments.
- In mid-August 2019 Moneybarn tried to collect Mr T's August 2019 payment but this was unsuccessful because the direct debit mandate had been cancelled by Mr T. However, this didn't put the agreement into arrears due to Mr T being one month in advance on his agreement payments in early August 2019.
- In mid-September 2019 Moneybarn tried to collect Mr T's September 2019 payment but this was unsuccessful because the direct debit mandate had been cancelled by Mr T. This put the agreement one month in arrears.
- In late-September 2019 Mr T made the September 2019 payment by card and reinstated his direct debt.

I understand that having made his September 2019 payment only two weeks late, Mr T is of the view that it's unfair his credit report shows a missed payment in respect of the same. But as explained by the investigator, if the failure for the payment is as a result of something the consumer did or failed to do (for example to reinstate a direct debit) then a business is entitled to report that payment as being missed however quickly it's 'made good'.

So, taking everything into account here, I don't think Moneybarn has done anything wrong in reporting what it has to credit reference agencies in respect of Mr T's September 2019 agreement payment.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 8 February 2021.

Peter Cook
Ombudsman