

## **The complaint**

Mr H complains that Vanquis Bank Limited incorrectly recorded a missed payment on his credit file.

## **What happened**

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

*Mr H has a loan with Vanquis. At the end of July 2020 Mr H's payment was declined so Vanquis contacted him on 4 August 2020 to ask why. The payment was attempted again and successfully processed using Mr H's card details. During the online chat, Vanquis said it could move the due date for Mr H's next payment. Vanquis confirmed Mr H needed to make his next payment on 28 September 2020.*

*Vanquis tried to claim Mr H's payment on 28 September 2020 using his card details but it was declined. Another attempt the following day was also declined. Vanquis spoke with Mr H via its online chat facility on 30 September 2020 and he agreed to make the payment up via a Faster Payment. Vanquis offered to amend Mr H's payment date to the 5<sup>th</sup> of the month to allow them to be received in time. Vanquis also advised Faster Payments can take up to five days to credit the loan balance.*

*On 5 October 2020 Vanquis contacted Mr H again as his payment hadn't reached the loan account. Mr H advised he'd made a Faster Payment on 1 October 2020. The payment was credited to Mr H's loan on 6 October 2020.*

*Mr H later raised a complaint as he found Vanquis had recorded a missed payment on his credit file for October 2020. Vanquis said it reported the dates Mr H had made payments to the credit reference agencies and the information it later reported was out of its control. Vanquis didn't uphold Mr H's complaint.*

*Mr H referred his complaint to this service and it was passed to an investigator. The investigator thought Vanquis had dealt with Mr H's complaint fairly and didn't ask it to do anything else. Mr H asked to appeal and said Vanquis had recorded a missed payment which wasn't right as his payment was made up. Mr H also said the September 2020 payment was showing as made on his credit file. But the October 2020 payment was showing as missed. As Mr H asked to appeal, his complaint has been passed to me to make a decision.*

## **What I've provisionally 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.*

*Vanquis says it reported the dates of Mr H's payments to the credit reference agencies and that it isn't responsible for how it's recorded on his file. Vanquis says the information it records is correct. But Mr H has told us that his October 2020 payment is showing as missed*

*despite making his payment in full that month. Whilst I don't agree it was unfair for Vanquis to record a late payment on Mr H's credit file, I do think the way it's reported his loan payments is inaccurate and has caused some confusion.*

*I'll deal with whether Vanquis was correct to record a late payment on Mr H's credit file first. Mr H made a payment on 4 August 2020 and Vanquis agreed that the next payment was due on 28 September 2020. Mr H didn't make his next payment until 1 October 2020, after the date agreed. I can see no payment was received in September 2020 so I agree that it's reasonable for Vanquis to report a missed payment in this case.*

*However, Mr H has correctly pointed out he made his October 2020 payment so the missed payment recorded on his credit file for that month is wrong. As Mr H missed his September 2020 payment, Vanquis should reflect that on his credit file.*

*Vanquis' approach to recording Mr H's missed payment would mean it would remain on his credit file for a month longer than the six years it's allowed to report it. I also think it's fair to note that Vanquis' approach appears to have caused some confusion in this case as Mr H has repeatedly asked why his October 2020 payment was recorded as missed despite being made. Mr H has also pointed out that his September 2020 payment was made late but reported as collected on time. I agree that the way Vanquis has reported the payment due in September 2020 has unfairly affected Mr H.*

*Mr H has explained his payment wasn't missed, it was late. I take Mr H's point, but as no payment was made in September 2020, I think it's fair for Vanquis to record it as missed. And I also think it's fair to note Vanquis can record arrears with the credit reference agencies when payments aren't made on time.*

*I can see this situation has caused a reasonable amount of confusion for Mr H and I don't agree it's accurate for Vanquis to report October 2020's payment as missed. In addition to amending Mr H's credit file, I also intend to tell Vanquis to pay Mr H £100 for the trouble and upset caused.*

I invited both parties to respond with any additional comments or points they wanted me to consider before I made my final decision. We didn't hear back from Vanquis.

Mr H responded to say he didn't agree and remained of the view that there should be no missed payment recorded on his credit file. Mr H says he has asked Vanquis to show the collections activity it undertook to recover the missed payment. Mr H confirmed his position that he had never missed a payment.

### **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.

Mr H has explained he doesn't agree that a payment was missed. But, I've relooked at the available information and remain of the view that there was a missed payment. In his response, Mr H said Vanquis agreed there wouldn't be a September 2020 payment. But that's not what the information I've seen says. The available information shows Vanquis agreed to amend the due date so Mr H needed to make a payment by 28 September 2020. It didn't say no payment was due for September 2020.

Mr H made a faster payment on 1 October 2020. I appreciate that was only a few days later than the new due date. But I'm satisfied no payment was made in September 2020. As Mr H didn't make a payment towards his loan in September 2020, I agree with Vanquis that it was

reasonable to record it as missed on his credit file.

As I said in my provisional decision, Vanquis has a duty to ensure it's recording accurate information on Mr H's credit file. But it's recorded the payment as missed in October 2020, not September 2020. In Mr H's case, I don't agree that's a fair approach as it will mean the missed payment will remain on his credit file for a month longer than it should. In my provisional decision I explained that I intended to tell Vanquis to amend the missed payment to reflect September 2020. I still think that's the fairest way to resolve Mr H's complaint.

I also awarded £100 for the distress and inconvenience caused to Mr H. As I'm satisfied Mr H has experienced some inconvenience here, I'm going to proceed in line with my provisional decision.

### **My final decision**

My decision is that I uphold Mr H's complaint and direct Vanquis Limited to settle as follows:

- Amend Mr H's credit file to back date the missed payment to September 2020
- Pay Mr H £100 for the distress and inconvenience caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 February 2022.

Marco Manente  
**Ombudsman**