

The complaint

Mr R has complained that Bank of Scotland plc trading as Halifax recorded adverse information on his credit file.

What happened

The details of the complaint are well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my 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 agree with the investigator's findings for broadly the same reasons.

Firstly, it's not in dispute that Mr R missed his minimum payment and as such, a late payment marker was applied to the account.

I have considered the fact Mr R has received previous statements since the account was opened in 2021, along with Mr R's statement to our service that "I have never missed any mortgage payments or finance agreement payments/credit card payments with any other company other than Halifax in 30 years". With that in mind, I am satisfied that Mr R would have been aware he could access his monthly statements via his online banking application. As such he ought to have been aware of the minimum payment he was required to make.

I have also considered that based on Mr R's comments to our service he would have been aware that it is his responsibility to ensure he makes the minimum payment and would be aware of the consequences of not making the minimum payment. However, in the avoidance of doubt I am satisfied the terms and conditions of the account say:

"A7. Payments

You must make at least the minimum payment by the payment due date each month if you owe a balance on your statement."

And

"Missing payments could have severe consequences, such as legal action against you to recover your debt or negative feedback from us to credit reference agencies, which may make getting credit more difficult for you in future"

Therefore, I am satisfied that Mr R was aware that it was his responsibility to ensure he made the minimum payments and was aware of the consequences of not making the minimum payment.

Mr R believes Halifax ought to have done more to notify him that a payment was due. Halifax has provided evidence to show that it sent Mr R a SMS message in relation to the payment in question. Mr R disputes receiving this message. And while I don't dispute Mr R's recollection of events, I am satisfied Halifax sent the messages.

That said, Halifax commented that sending a SMS message does not form part of the Terms & Conditions. I don't agree, the Terms and Conditions state:

"We will contact you using the details you give us. If we say we will write to you, we will send a letter or write to you in some other way that we reasonably think is suitable. Examples include email, text or including a message in your statement or by providing information in your secure personal area in Internet Banking."

However, the Terms and conditions also say:

If we send you information using Internet Banking, you will receive an email from us when a document is ready for you to view.

As Mr R's statements were sent to his internet banking, I understand why he would be under the impression that he would receive an email explaining he had a document ready to view, in line with the terms and conditions of the account. Halifax has said it did issue emails but has been unable to provide system notes to support this. Therefore, our investigator felt this had been a service failing. I agree that Halifax ought to be able to evidence emails on its systems to show the emails had been sent. As such, I can't be satisfied this was the case. I appreciate Mr R's frustrations in relation to the service he has received and what he expected. However, it doesn't negate Mr R's responsibility to ensure the minimum payment was made.

So, I have gone on to consider if it was fair for Halifax to pass this information to credit reference agencies. Halifax has a regulatory obligation to report true and accurate information to credit reference agencies. And it makes it clear in the Terms and Conditions that it may do this if there are missed payments. For this reason, I am satisfied that Halifax has acted fairly in regard to this, so I won't be asking it to remove the adverse information it recorded.

Putting things right

Halifax should pay Mr R £100 for the reasons I have explained above.

My final decision

My final decision is that I uphold the complaint and require Bank of Scotland plc trading as Halifax to pay Mr R £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 March 2023.

Jade Rowe
Ombudsman