

## The complaint

Miss P complains about the way NewDay Ltd trading as Fluid administered her credit card after she made a payment to clear the outstanding balance. Miss P also complains that Fluid unfairly recorded information that's impacted her credit file.

## What happened

*Miss P had a credit card with Fluid and on 9 November 2022 made a payment to clear the outstanding balance. Miss P arranged for her credit card to be closed once the balance was cleared. Miss P's told us she was advised that no further payments were due.*

*On 25 November 2022 Fluid issued a credit card statement that said Miss P needed to make a payment of £13.57 by 14 December 2022.*

*On 5 December 2022 Miss P called Fluid after she received messages advising a new credit card on her account had been activated. The agent Miss P spoke with said the message had been sent in error and that a balance of 13p that remained on her account would be refunded in seven to ten days. The agent advised Miss P the account was fully repaid and would show as being closed with the credit reference agencies. No mention of the £13.57 requested in the credit card statement was made by the agent Miss P spoke with. On 13 December 2022 Miss P called Fluid again after she made the payment of £13.57.*

*Miss P queried how the payment had come about as she had previously been advised her account was closed and fully repaid. The agent Miss P spoke with explained the £13.57 was residual interest.*

*On 25 December 2022, Fluid issued a credit card statement that said Miss P needed to make a payment of 21p.*

*Miss P's explained she later found missed payments recorded on her credit file in relation to her account with Fluid and an outstanding balance of 21p.*

*Miss P complained and Fluid issued a final response on 22 April 2023. Fluid said the payments it had asked Miss P to make related to residual interest that had been charged from the previous statement date to the date she'd cleared the outstanding balance and had been correctly applied. Fluid added that the 21p interest had been incurred against the previous balance of £13.47 before it was paid. Fluid said it had waived the final 21p interest and made arrangements to ensure there was no negative impact to Miss P's credit file. An investigator at this service looked at Miss P's complaint. They thought Fluid had taken reasonable steps to resolve Miss P's case and didn't ask it to do anything else.*

*Miss P asked to appeal and said she'd been harassed by Fluid for payment and that the missed payments recorded hadn't been removed from her credit file. As Miss P asked to appeal, her 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.*

*I can understand why Miss P is frustrated at the way her account was administered by Fluid. Miss P made a payment to clear what she believed to be the full outstanding balance in November 2022. It's clear Miss P wasn't expecting any further payments to become due or receive further contact from Fluid from that point as she'd asked for her account to be closed. But on 5 December 2022 Miss P had to call Fluid after receiving messages that advised her credit card had been activated. Miss P explained she'd destroyed her credit card and asked for the account to be closed. The agent Miss P spoke with confirmed no new card was activated and that the message she'd received was sent due to an error. The agent confirmed there was a credit balance of 13p on the account and made arrangements for it to be refunded. But no mention was made of another payment being due of £13.57. Given Fluid had issued a statement on 25 November 2022, I think it would've been reasonable for the agent to have updated Miss P to ensure she was aware funds remained owing.*

*Miss P next spoke with Fluid on 13 December 2022 after making a manual payment for £13.57. The agent Miss P spoke with correctly explained how the payment had come about and that it represented residual interest. The agent advised Miss P that her account had been closed and no further funds were due. But that was wrong as Miss P was asked to pay a further 21p the following month, despite being advised she'd made the necessary payments.*

*The payment of 21p led Fluid to contact Miss P again and record adverse information on her credit file. But I think this could've been avoided if the agents Miss P had spoken to in December 2022 had explained further interest would become due based on the statement issue dates and when she made payments. I felt the agent Miss P spoke with on 13 December 2022 was emphatic in explaining the account was paid up and closed. So I wouldn't have expected Miss P to be on the lookout for further residual interest from that point.*

*I'm please Fluid took action to remove any adverse information it recorded from Miss P's credit file. Fluid has provided systems evidence that shows no missed payments are being reported and that the settlement date is noted as 13 December 2022. I'm satisfied that's accurate. Although I note Fluid is recording a Query, or Q marker, on Miss P's credit file to reflect the fact she's raised a complaint. And Miss P's told us her credit file continues to be impacted by Fluid, despite settling her account nearly a year ago.*

*Given Miss P's balance was cleared and her account was settled on 13 December 2022, I see no reason why Fluid is recording a Q marker on her credit file. Industry guidance, known as the Principles of Reciprocity, issued by the Steering Committee of Reciprocity (SCOR) (a body that's made up of representatives from the credit industry including the credit reference agencies) guides businesses on sharing personal information relating to credit.*

*The main thrust of the Principles of Reciprocity is that data is shared only for the prevention of over-commitment, bad debt, fraud and money laundering and to support debt recovery and debtor tracing, to aid responsible lending.*

*Here, Miss P had already repaid her balance at the point Fluid recorded the Q marker on her credit file. I can't see any grounds that recording a Q marker on Miss P's credit file reflects any of the principles of reciprocity as set out by SCOR. Nor can I see any reasonable grounds for Fluid to record a complaint of this nature on Miss P's credit file. In my view, Fluid's unfairly recorded the Q marker on Miss P's credit file and she's advised it has continued to impact her. So, whilst I'm not telling Fluid to amend the payment profile or*

*settlement date recorded, I am going to tell it to remove the Q marker it recorded when Miss P complained.*

*I'm not persuaded that Fluid's response to Miss P's complaint is fair. It's clear Miss P has proactively tried to administer her credit card and thought she'd repaid the balance in full. When Miss P called to query residual interest in December 2022, after making the payment requested, no one warned her further interest could become due and agents made it sound as if the account was fully closed and settled. Missed payments were ultimately recorded on Miss P's credit file due to an outstanding balance of 21p. I'm satisfied that the way Miss P's account was handled and settled has caused her an unreasonable level of trouble and upset. In my view, a payment of £200 is a fair way to reflect the distress and inconvenience caused to Miss P and settle her complaint.*

I invited both parties to respond with any additional comments or information they wanted me to consider before I made my final decision. Neither party responded.

### **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.

As no new information has been supplied, I see no reason to change the conclusions I reached in my provisional decision. I still think Miss P's complaint should be upheld, for the same reasons.

### **My final decision**

My decision is that I uphold Miss P's complaint and direct NewDay Ltd trading as Fluid to settle as follows:

- Remove the Q marker recorded on her credit file
- Pay £200 for the distress and inconvenience caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 6 February 2024.

Marco Manente  
**Ombudsman**