

## **The complaint**

Ms S complains that J D Williams & Company Limited trading as Marisota (JDW) unfairly recorded late payments on her account. She wants the late payment markers removed.

## **What happened**

Ms S has a JDW account. She received a statement dated 20 January 2024 advising that her next payment was due by 10 February 2024. She says that she made the payment on 6 March which was less than 30 days after the payment was due. She said that as she had made the payment within the 30-day period a late payment marker shouldn't have been applied to her credit file.

JDW responded to Ms S's complaint. It explained that statements were sent every 28 days with payment required to reach it within 21 days and when a payment was not received this resulted in a late payment charge and late payment communication being sent that can affect a customer's credit file. It said Ms S didn't make the payment that was due by 10 February on time and a late payment charge was added to her account. This was returned to the account on 13 March 2024. It said Ms S made a large payment on 4 March 2024 which cleared her account, and the account was closed in line with her request.

JDW said it had listened to the call that Ms S had also complained about but found that there were no errors made.

Ms S wasn't satisfied with JDW's response and referred her complaint to this service. She said she wasn't aware of where the refunded late payment charge had gone and said she wanted the late payment marker removed from her credit file.

JDW said that the late payment charge refund had been sent to Ms S by cheque.

Our investigator didn't uphold this complaint. He noted Ms S's comment about creditors not logging a late payment charge until more than 30 days had passed but said that JDW's policy was to log a late payment if payment wasn't made by the due date. He said this was set out in the account terms. As Ms S didn't make her payment by the 10 February 2024 due date, he didn't think that JDW was wrong to take the actions it did.

Ms S didn't accept our investigator's view. She said that the facts about when a late payment can be reported hadn't been looked into and reiterated that late payments shouldn't be recorded until 30 days after the due date. She also said that the late payment marker was applied to different months on different credit files.

## **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.

Ms S had a JDW account and was issued a statement dated 20 January 2024. This required the minimum payment to reach JDW no later than 10 February 2024. Ms S didn't make the

required payment by 10 February, and a £12 charge was applied to her account on 17 February. This charge was refunded to Ms S as a gesture of goodwill. The refund was made by cheque as Ms S had closed her account. As the payment was made late, I cannot say that JDW was wrong to apply the late payment charge (which was made in line with the account terms) and as it then refunded this, I do not require it to do anything further in regard to this.

The outstanding issue is about the late payment marker applied to Ms S's credit file. Ms S made the payment due on her account (and cleared the outstanding balance) on 4 March 2024. This was more than 30 days after the 20 January 2024 statement was issued but as it was within 30 days of the payment due date, Ms S says the late payment shouldn't have been reported. I have considered Ms S's comments about the approach taken by her other creditors and the information available about reporting of late payments, but this complaint is against JDW, so I have considered whether the evidence shows it did anything wrong or treated Ms S unfairly by applying the late payment marker.

As noted above, Ms S was issued a statement dated 20 January 2024. This showed her balance on the account at that time and the amount she needed to pay. Statements are issued every 28 days, and the minimum payment is due within 21 days of the statement date.

JDW terms and conditions state that if the minimum payment isn't made by the due date, it may report the breach to the credit reference agencies. JDW has confirmed that the date a late payment marker is made is when the late payment charge shows on the account. In this case this was when the new statement was issued on 17 February 2024. As Ms S hadn't made the payment due by 10 February before the new statement was issued on 17 February 2024 the charge was applied and late payment marker recorded. As JDW acted in line with its account terms and followed its usual process in recording the late payment, I do not find I can say JDW did anything wrong or treated Ms S unfairly.

In conclusion, I find that Ms S was provided with the information she needed to be aware that if the minimum payment wasn't made by the due date, then this may be reported to the credit reference agencies. Businesses are required to report accurate information to the credit reference agencies and as Ms S didn't make her payment by the due date, I cannot say that the information reported by JDW was incorrect. I note the comment about the marker being applied to different months by different credit reference agencies but this can happen based on the timing of the reporting cycle.

Taking all of the above into account, I do not uphold this complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 5 November 2024.

Jane Archer  
**Ombudsman**