

The complaint

Mr P complains about some missed payment information recorded with credit reference agencies, by Virgin Media Mobile Finance Limited.

What happened

In May 2020, Mr P took out a fixed sum loan agreement with Virgin, to pay for a brand new mobile telephone device. The agreement was due to last for 36 months and Mr P was required to make monthly payments of £27.

Around a year later, Mr P moved house. But, Mr P didn't change his address linked to the loan agreement. He says he had other services with Virgin, and assumed any change of personal details would cover all the products he had with them. So, while Mr P continued to repay his loan, he didn't receive any statements or letters through the post in relation to the it.

In early February 2023, Mr P missed a payment that was due to his loan. Although the payments in the following months were made on time, it created arrears of £27. Virgin say this meant the loan still had an outstanding balance when it reached the end of its 36 month term. Mr P didn't repay the arrears, because he says he didn't receive any notification of the problem.

Subsequently, Virgin reported the missed payment on Mr P's credit file. Mr P says he didn't know about the issue, until he encountered problems when trying to apply for a mortgage. And in June 2024, Mr P cleared the balance of the loan. But, because the missed payment information remained, Mr P complained to Virgin and said they hadn't told him about the arrears.

In their final response to Mr P's complaint, Virgin said that Mr P had not repaid the arrears on time. They said the missed payment information was an accurate reflection of what happened. So, Virgin said they weren't prepared to remove the missed payment details from Mr P's credit file. Mr P didn't accept Virgin's response and brought his complaint to us.

One of our investigators looked into Mr P's complaint and found that Virgin had treated Mr P fairly. He said it was Mr P's responsibility to change his address with Virgin and to be aware of the balance of his loan. So, he didn't think Virgin needed to take any steps to change any information about the missed payment.

Mr P didn't agree with the investigator's conclusions and said Virgin should have realised his address was different across the other products he had with them. Mr P also said Virgin could have used email or text message to send him missed payment notifications.

The investigator didn't change his conclusions and now Mr P's complaint has been passed to me to make a final 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.

The mobile telephone device was paid for using a fixed sum loan agreement with Virgin. This is a regulated form of credit, and our service is able to consider complaints relating to this sort of borrowing.

Virgin have said that they have a responsibility to report on the repayment history of the loans they provide. I agree that this is the sort of activity a lender is required to do, after they've agreed to lend a customer money. And I can see from the statement for Mr P's fixed sum loan agreement with Virgin, that a payment of £27 was missed in February 2023.

On the face of it, I think it follows that information about the missed payment would appear on Mr P's credit file. But, Mr P says he wasn't told about the arrears and given the chance, he would have repaid them straight away. So, I've looked at the correspondence between both parties, as well as the steps taken by Mr P to decide if Virgin have treated him fairly.

Mr P says he moved to a different address in July 2021 and that he had other contracts for internet and television services with Virgin. He says he changed his address for these services and thought Virgin would carry this over to his fixed sum loan agreement. While I've not seen any documents to show the other services Mr P had with Virgin in July 2021, I do not doubt that he may have had them in place.

But, Virgin say the television services are operated separately to Mr P's agreement for his fixed sum loan agreement for his mobile telephone device. I can also see from the terms and conditions of Mr P's agreement, that he had a responsibility to tell Virgin about a change of home address. This means changing personal details on one, does not change the details for the other. On balance, I don't think what Virgin has said is unreasonable here. And based on the evidence, I don't think Virgin has made a mistake or an error, when Mr P says he moved house.

During our investigation, Mr P told us about a second loan agreement he took out with Virgin in September 2021. Having looked at a copy of that agreement, I can see where Mr P set the loan up using his new postal address. The payments were taken using a separate Direct Debit to that of the agreement he complains about.

Virgin have told us that the two agreements Mr P had were not linked to each other, as they were set up using different details. In other words, when Mr P took out the second agreement in 2021, his address details were not changed for the loan he already had.

Overall, I think it would have been helpful if Virgin could have used a more joined up approach to Mr P's personal details when he applied for the second agreement in 2021. But, I can understand why any discrepancy with Mr P's address wasn't identified. Given that Mr P had applied for the subsequent loan, using a different address.

Having thought about everything, I think there was an onus on Mr P to have made sure his address was changed for the initial lending he had with Virgin. I also think Mr P would have been aware of the missed payment, when the Direct Debit payment was returned to his bank account by Virgin in February 2023. But, he didn't repay the arrears until June 2024. So, I think it follows that he could expect that instance to be reflected on his credit file.

Additionally, Mr P says Virgin should not have relied upon his postal address, to send him notices that his fixed sum loan had entered into arrears. He says Virgin should have used

text messages or emails, to tell him what had happened.

Like our investigator, I'm aware that there are certain notifications that need to be sent through the post as hard copies. The terms and conditions of Mr P's fixed sum loan explain that there may be some instances, where they are required by law to use the postal service, rather than electronic communication.

While I empathise with what Mr P has said, I don't think Virgin have made a mistake, by sending notices of arrears and default through the postal service.

I acknowledge where Mr P has explained that it was a difficult time for him, when he saw the missed payment information on his credit file. It must have been very worrying, at a point when he was trying to apply for a mortgage. I hope things have since improved for Mr P.

But, in all the circumstances of this complaint, I don't think Virgin have treated Mr P unfairly, by passing on the missed payment information about his fixed sum loan to credit reference agencies.

My final decision

My final decision is that I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 June 2025.

Sam Wedderburn
Ombudsman