

## **The complaint**

Ms N's complaint arises from her mortgage account held with Bank of Scotland plc (BOS). Ms N is unhappy that a late payment marker was recorded on her credit file, and that she was given inaccurate information about this when she spoke to the bank. To settle the complaint Ms N would like BOS to remove any negative markers from her credit file.

## **What happened**

I don't need to set out the full background to the complaint. This is because the details of the complaint are set out in the correspondence between the parties and our service, so there is no need for me to repeat them here. In addition, our decisions are published, and it's important I don't include any information that might lead to Ms N being identified. So for these reasons, I will instead concentrate on giving a brief summary of the complaint, followed by the reasons for my decision.

Ms N has a mortgage with BOS. The contractual monthly repayment (CMP) is due on the 28<sup>th</sup> of each month. This complaint arises out of a payment that was made late in 2024.

Ms N contacted BOS on 8 March 2024 to explain that she'd just made the payment for the previous month. (I will refer to this as the first call.) Ms N also said that the next payment (due on 28 March 2024) might also be late. Ms N was asked if the payment would be made during the month of March (which has 31 days). It was explained to Ms N that, even if another payment was missed, the account wasn't at the point where it would meet the criteria to be referred to litigation.

Ms N was told that BOS reports to credit reference agencies (CRAs) at the end of each calendar month, but that payments made within the month in which they are due would have a negligible effect on the credit file.

No further payment was received for the March 2024 CMP. The missed payment was reported to the CRAs, and BOS issued an arrears letter. Ms N brought the account up to date by the end of April 2024.

However, Ms N complained to BOS. During another call to BOS (which I will refer to as the second call), Ms N said she had been told that if she missed the March 2024 payment, this would not be reported on her credit file. The staff member she spoke to hadn't listened to the first call, and assumed that what Ms N had said was correct. As a result, Ms N was offered £40 compensation.

Ms N wasn't happy with this, and so the bank reviewed the complaint. This time, the bank said that it hadn't done anything wrong in recording the information on Ms N's credit file. Because Ms N had been offered £40 on the second call, BOS was prepared to honour this, but without any admission of liability.

Dissatisfied with the bank's response, Ms N brought her complaint to our service. An Investigator looked at what had happened but didn't think the bank needed to do anything further. The Investigator found that on the second call BOS had told Ms N they were taking

her version of events as fact, which is why the £40 was offered. But after the bank had reviewed the matter, it was realised that the information given in the first call was accurate and that Ms N hadn't been misled as to the implications of not making March's payment before the end of the month. As a result, the Investigator didn't think the complaint should be upheld.

Ms N disagreed with the Investigator's findings and asked for an Ombudsman to review the complaint. She's reiterated her main complaint points, which I summarise below.

Ms N said that if she'd been told at the outset that a missed payment would impact her credit file, she'd have borrowed the money from somewhere else for the March 2024 payment. She said that she'd been told at the end of March 2024 *"to ask if I could pay the mortgage a bit late without penalty. I was informed that as long as I paid before the April mortgage was due on 28 April 2024 I would be fine... My funds came in during April 2024 and so I was able to make the March 2024 and April 2024 mortgage payments by 28 April 2024..."*

Ms N says she was entitled to rely on what she had been told on the phone as being accurate and followed the bank's directions in relation to making sure her payment was received before the 28<sup>th</sup> of the month. Ms N also said that if her complaint is not upheld, she will respond by publishing her story in a national newspaper *"which will give adverse publicity to those involved in this matter."*

### **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.

I confirm I've listened to the call recordings provided by BOS. Having done so, I'm afraid I have disappointing news for Ms N – I'm not upholding her complaint.

I'm satisfied that it was made clear to Ms N on 8 March 2024 that payment has to be made within the month in which it is due. The CMP for March 2024 wasn't paid until 22 April 2024, leaving the account one month in arrears. I'm aware that Ms N is adamant that she was told she could pay the March 2024 CMP before the end of April 2024 with no impact on her credit file, but the call recording evidence does not support this.

BOS is under an obligation to provide accurate information to credit reference agencies. Its report of the missed payment for March 2024 is therefore accurate. I'm not persuaded that this was recorded in error.

When Ms N initially raised her complaint with the bank it was assumed – incorrectly – that what Ms N was saying about having been told she could make the March 2024 payment by the end of April 2024 with no impact on her credit file was accurate. But when the bank reviewed this and listened to the first call, it transpired that this wasn't correct and Ms N had not been told this. As I said above, I've listened to the first call (and the second) and I'm satisfied that Ms N was not led to believe that she could miss the CMP due for March 2024 with no impact on her credit file.

I appreciate Ms N might have misunderstood the position, but I'm not persuaded that this is as a result of any incorrect or inaccurate information given to her by BOS. I'm therefore satisfied the reporting of the missed payment is an accurate reflection of the payment history on the account and so I will not be asking BOS to remove it. As the bank explained to Ms N, she has the option of lodging a Notice of Correction with the CRAs, if she believes the information recorded on her credit file is wrong.

BOS offered Ms N £40 compensation when it incorrectly assumed the bank had made a mistake. I am not asking the bank to pay any additional compensation.

### **My final decision**

My final decision is that I don't uphold this complaint.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any discussion about it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 2 April 2025.

Jan O'Leary  
**Ombudsman**