



## **The complaint**

Mr H complains about the way Santander UK Plc ('Santander') reported a missed payment on his credit card account to the Credit Reference Agencies ('CRAs').

Mr H wants his credit file amending.

## **What happened**

Mr H complained to Santander that there'd been an error with his direct debit, so he was late making his June 2024 credit card payment. He was unhappy this had been reported to his credit file as a missed payment despite the payment being made the month it was due.

Santander didn't accept they'd made any error with Mr H's direct debit, or with their reporting to the CRAs, so they didn't uphold Mr H's complaint. Mr H referred his complaint to the Financial Ombudsman Service, citing breach of the Consumer Duty.

Our investigator obtained and reviewed Santander's file and investigated how the late payment was being reported. However, he didn't think Santander had treated Mr H unfairly.

Mr H challenged our investigator's findings and asked for an ombudsman to review his complaint.

## **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've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

I think it's important to say that as an ombudsman I investigate complaints independently and provide my decision based on the individual circumstances of each case. There's no incentive for me to decide cases one way or another.

Having considered this matter carefully, I've decided that this isn't a complaint I will uphold. I know this will be a disappointment to Mr H and I hope my reasoning below helps him to understand why I have reached this conclusion. It broadly mirrors the reasoning provided by our investigator.

I acknowledge Mr H's palpable frustration that nobody appears to be looking at the literal meaning of what's now reported on his credit file, and how this affects him. I recognise that credit reporting is technical and impersonal, despite the impact it has on individuals, and I want to reassure Mr H that I haven't overlooked his viewpoint when considering his complaint.

I've first considered whether the issue with Mr H's direct debit was caused by Santander.

Having looked at Santander's system records I can see that Mr H instructed his current account provider to cancel his direct debit in May 2024. I appreciate this wasn't Mr H's intention as he wanted to amend the amount he was paying, not cancel the payment instruction, but that isn't what happened. I'm therefore unable to say that Santander contributed to Mr H's late payment in June 2024, as they didn't make an error with his direct debit.

I've next considered Santander's credit reporting in relation to Mr H's account.

The Information Commissioner's Office ('ICO') gives guidance that firms should report arrears at the "*earliest reasonable opportunity*." The ICO's guidance goes on to say that it expects firms to provide monthly updates to the CRAs in relation to the accounts their customers hold.

Santander said they report information to the CRAs at the end of each monthly billing cycle, which would be the day after a payment fell due. That's why Mr H's missed payment on 17 June 2024 appeared on his credit file for the month of June 2024, before that month had even ended.

I acknowledge Mr H thinks Santander should give him longer to bring his account up to date before reporting his payment information to the CRAs. I can't see any obligation on Santander to do this – their obligation is to report monthly. Notably, the ICO doesn't say a firm has to report by a certain point in the month.

CRAs typically record status codes on credit files for each month to show when there's been a breach of the terms of the account, rather than giving specific information about a missed or late payment. I'd therefore expect Mr H's credit file to reflect a '1' status code for June 2024 in relation to this account, to reflect he'd accrued some arrears in that month (albeit temporarily). It's up to the CRAs to decide how to present the information they're given – Santander don't control how information appears on Mr H's credit file.

I'm aware Mr H is uncomfortable with wording in his credit score app that says he "last missed a payment in June 2024." I wouldn't consider asking Santander to do anything about this, given this is wording provided by a third party. But in any event, I don't think the wording is inaccurate, given the payment due on 17 June 2024 was missed.

I can understand why Mr H feels the reporting on his credit file is unfair as it doesn't differentiate between someone paying a day late, a few weeks late, or not paying at all that month. However, the purpose of reporting arrears isn't to give potential lenders a detailed view of how an account's been managed, rather it is to indicate that the account has not been maintained according to its terms and conditions.

I'd typically only consider asking Santander to change what they were reporting to Mr H's credit file if I found there was an error, or the information was inaccurate or unfair. I haven't found Santander made any error here, and Mr H accepts he didn't pay his credit card on the due date of 17 June 2024. I think Santander's credit reporting for June 2024 fairly and accurately reflects what happened and is in accordance with industry guidance – so I won't ask Santander to change this.

Throughout my considerations I've kept in mind Mr H's assertion that Santander's credit reporting process doesn't sit well with their regulatory obligation under the Consumer Duty. The Consumer Duty requires Santander to put retail customers at the heart of their considerations, with an overarching principle that they "*must act to deliver good outcomes for retail customers*."

I recognise Mr H's frustrations that his credit file doesn't specify exactly when he brought his account back up to date, and he certainly doesn't feel this is a good outcome for him. I think it's important to say that the Consumer Duty doesn't equate to a customer always having the outcome they want. Having considered the application of the Consumer Duty in the context of this complaint, I'm not persuaded Santander have fallen short of what's expected from them here.

It may help Mr H to know he can add a notice of correction to his credit file by contacting each of the main CRAs and submitting a short statement to explain the circumstances around this entry for June 2024. Potential lenders will see this when searching his credit file.

In all the circumstances, I don't think Santander have treated Mr H unfairly here and that means I won't ask them to take any action on this occasion.

### **My final decision**

For the reasons I've set out, my final decision is that I don't uphold this complaint,

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 May 2025.

Clare Burgess-Cade  
**Ombudsman**