

The complaint

Mr C's father complains on his behalf. Briefly, Mr C's father says that Bank of Scotland Plc (part of the Lloyds banking group) didn't make him aware of the arrears that had built up on Mr C's loan. To put things right, Mr C's father would like the bank to explain how this happened, and to amend Mr C's credit report.

What happened

The bank told us:

- Mr C took out his loan in 2012.
- Mr C missed several loan payments between September 2021 and October 2024. On each occasion it wrote to Mr C, at the address he had provided, to tell him the payment had been missed and to explain what he needed to do.
- It does not have any notes showing that Mr C or his father had said they wanted to be contacted by email in the event of any arrears.

Mr C's father told us:

- He acts on his son's behalf in this matter.
- His son's reputation is of the utmost importance, and so he asked the bank's relationship manager to tell him by email if there were ever any problems with his son's account. The relationship manager agreed, and did communicate with him by email between 2012 and 2017 – including sending five notifications of arrears between 2015 and 2017.
- Over the last few years he did not receive any letters or other notification of arrears on his son's account, so he thought all was well. He was shocked to discover the arrears after contacting the bank in respect of a different issue.

One of our investigators looked at this complaint, but he did not uphold it. He said he'd seen copies of nine letters that the bank sent to inform Mr C of missed payments. He said he wasn't persuaded that there was any special arrangement in place for the bank to email Mr C (or his father) to tell them about any arrears, and he thought the bank had acted fairly in corresponding with Mr C by letter.

Mr C's father did not accept our investigator's opinion, and so the matter was referred to me.

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.

Having done so, whilst I'm sorry to further disappoint Mr C and his father there is very little I can add to what our investigator has already said.

I know that Mr C's father has been through an extremely difficult time. I was sorry to hear about his health issues, and I thank him for his openness with us. But I don't think it would be fair for me to criticise the bank for sending letters to Mr C. I know Mr C's father says that he expected the bank to communicate by email, but I haven't seen evidence that the bank agreed that it would not use the post. In the circumstances, I don't think the bank did anything wrong.

It appears that the most recent emails between Mr C's father and the bank's relationship manager were exchanged in 2017. I understand that Mr C's father is very disappointed not to have been told that the relationship manager has since left the bank, but I don't think the bank was obligated to tell him that. Nor do I think that the bank's decision to send arrears notifications by email between 2015 and 2017 means that the bank was required to continue to send arrears notifications via the same method.

Ultimately, Mr C is responsible for making payments to his loan on time. I have seen nothing to suggest that the bank has reported any inaccurate information to credit reference agencies, so I will not order the bank to correct Mr C's credit file.

My final decision

My final decision is that I do not uphold this complaint against Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 July 2025.

Laura Colman
Ombudsman