

The complaint

Mr B complains TSB Bank plc ("TSB") have placed a late payment marker for his credit card on his credit file and won't remove it and is unhappy about how his complaint has been handled.

What happened

Mr B's holds a credit card account with TSB. The monthly minimum payment ("MMP") shown on his April 2024 statement was due on 23 May 2024. Although two refund payments were made to the account that month, no payments were received by TSB until 3 and 4 June 2024. Mr B found out about the late payment marker in August 2024 and asked TSB to remove it due to his personal circumstances at the time. TSB told him it couldn't as the MMP had been missed.

Mr B complained but TSB didn't uphold the complaint. TSB thanked Mr B for explaining his current circumstances but said they wouldn't remove the missed payment marker as they had a responsibility to report accurate data to the credit reference agencies. TSB said, under the terms and conditions, refund payments didn't count as monthly instalment payments and it was clear TSB hadn't received payment towards the account in May 2024. Mr B referred the matter to us and also told us he was also unhappy TSB hadn't called him before it issued its Final Response Letter ("FRL").

Our investigator didn't uphold the complaint. Whilst she empathised and recognised this had been a difficult time for Mr B, she didn't think TSB had done anything wrong in respect of the missed payment marker. She was satisfied TSB were following the guidance on reporting issued by the Information Commissioners Office ("ICO"). She suggested Mr B might consider filing a notice of correction dealing with this marker and why it wasn't reflective of his general approach to payments.

Mr B told us he was surprised and disappointed by the ongoing lack of flexibility and understanding. He told us he had evidence of a number of cases where a customer's personal circumstances have been considered to allow for amendments to a credit file, so their life wasn't impacted by a minor blip during the worst of times. He thought it seemed to be discriminatory as to how this was applied.

I issued a provisional decision in which I explained I couldn't look at certain issues as TSB hadn't been given the opportunity to respond to them. In relation to the issues which I could look at - the late payment marker and customer service - I issued a provisional decision. In that, I upheld the part of the complaint about the payment marker and said this ought to be corrected by removing it. I thought TSB's reporting obligation had to ally with all elements of the first principle of the ICO's guidance which is *"Data that is reported on your credit file must be fair, accurate, consistent, complete and up to date"*. And, due to both TSB's previous treatment of a late payment and Mr B's circumstances at the time, I didn't think reporting this late payment was consistent or fair. I didn't think TSB had made any mistakes in respect of the service they'd provided.

Mr B told us he would accept the decision if the marker was removed. TSB didn't agree. It

said no bank error had been made recording the missed payment for May 2024 and asked me to reconsider the partial uphold and recommendation to remove the marker.

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 reviewed carefully the further points TSB made. A key point in my provisional decision was, whilst agreeing with TSB that it had to report accurate data, Principle 1 of the ICO's guidance has a number of elements. It *also* says the data reported *must* be fair, consistent, complete and up to date. Nothing TSB have sent satisfy me that the consistent and fair aspects are met here. A payment is late or missed if it doesn't reach the account by the date stipulated on the statement. On the information before me there are two undisputed late/missed payments - those for February 2023 and May 2024. But only one of them is reported as such. And, despite what TSB have told me about why the inconsistency came about, I remain unpersuaded that the reporting here, of the payment shown due on the April 2024 statement, is *also* consistent or fair. So, I don't think it's wholly in line with the ICO's guidance and ought to be corrected.

So, for the same reasons I explained in my provisional decision, I don't think the reporting of the payment shown due on the April 2024 statement is fair or consistent. I remain of the view this part of the complaint should be upheld and the reporting for this month should be altered to remove the late/missed payment.

In respect of the service Mr B received, neither party have sent me any further information on this so I don't see any reason to alter my decision on this point.

Putting things right

TSB Bank plc must remove the late payment marker for April 2024 from Mr B's credit file.

My final decision

My final decision is that I uphold this complaint in part. TSB Bank plc must remove the late payment marker for April 2024 from Mr B's credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 31 July 2025.

Annabel O'Sullivan
Ombudsman