DRN-5559759

The complaint

Mrs O is unhappy that SteadyPay Limited ('SteadyPay') reported two late payments to the Credit Reference Agencies ('CRAs') when she'd had trouble using their app.

Mrs O wants the adverse markers removed from her credit file.

What happened

SteadyPay didn't uphold Mrs O's complaint about the trouble she'd had using their app to make payments in March 2024 and August 2024. SteadyPay said the payments failed because of insufficient funds, and payments weren't made before they made their monthly report to the CRAs. SteadyPay couldn't identify an error with their app, and didn't agree to change what they were reporting.

Mrs O referred her complaint to the Financial Ombudsman Service. Our investigator didn't think SteadyPay had treated her unfairly given Mrs O's payments were late and she'd found no evidence that Mrs O had trouble with the app around the times those payments were due.

Mrs O asked for an ombudsman's review, which is how the matter has come to me to decide.

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.

Having reviewed the submissions and available evidence from both parties I have decided not to uphold Mrs O's complaint for broadly the same reasons as our investigator.

Mrs O said she'd raised her issues with making payments via the app several times with SteadyPay. SteadyPay sent this service copies of chat transcripts where Mrs O responded, and which show dialogue between the parties.

I've noted in February 2024 Mrs O was having trouble with paying via the app but managed to correct this and make a successful payment.

There's no live chat transcript or evidence of other communication from Mrs O in March 2024 and August 2024 regarding difficulty making a payment for those months via the app. SteadyPay's records show these payments weren't paid on their due dates, as the direct debits didn't collect due to insufficient funds.

The Information Commissioner's Office (ICO) sets out guiding principles for businesses reporting arrears, arrangements and defaults.

The ICO's guidance says *"if you do not make your regular expected payment by the agreed time and/or for the agreed amount according to your terms and conditions, the account may be reported to the CRAs as being in arrears."* The ICO typically expect lenders to make monthly reports, though they let lenders decide their own reporting days.

The ICO also says *"data that is reported on your credit file must be fair, accurate, consistent, complete and up to date."*

Payments for March 2024 and August 2024 weren't paid before SteadyPay reported Mrs O's account information to the CRAs.

On previous occasions when Mrs O's payments had failed due to insufficient funds, payment was made before SteadyPay sent their monthly report. So, those late payments weren't reported to the CRAs and don't appear on Mrs O's credit file.

Mrs O says she didn't get any correspondence about March 2024's missed payment but she was notified about August 2024's missed payment which meant she was able to pay the following day. Unfortunately this was still too late to avoid this payment being reported to the CRAs.

Mrs O's suggestion here is that March 2024 might have been paid earlier and not reported to the CRAs if Mrs O had received a missed payment notification. But I think it is Mrs O's contractual obligation to make timely payments, and these are due whether or not she receives and reads notifications about them being missed.

I can understand why Mrs O feels the reporting on her 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.

SteadyPay said they would have amended their credit reporting if there was a technical error with their app which prevented Miss O from making a manual payment. I think that's a fair stance to take. But I can't see evidence that this has happened in March 2024 or August 2024, or that Mrs O contacted SteadyPay about any issues at those times either by live chat or email.

In those circumstances I don't think it is unfair or unreasonable for SteadyPay to report Mrs O's late payments to the CRAs to show that she didn't make her payments on time in March 2024 and August 2024. I am sorry to disappoint Mrs O but this means I won't be asking SteadyPay to take any action in relation to her complaint.

My final decision

For the reasons I've set out, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 5 August 2025.

Clare Burgess-Cade
Ombudsman