



The complaint

Ms O complains that Nationwide Building Society ('Nationwide') reported two months of arrears to her credit file, when she wasn't aware she had a credit card balance to pay.

Ms O wants Nationwide to amend her credit file and pay compensation for the distress and inconvenience they've caused her. She'd also like Nationwide to treat their customers more sympathetically.

What happened

Ms O complained to Nationwide, and subsequently to the Financial Ombudsman Service, that her credit file had been unfairly impacted by two months of late payment markers added by Nationwide. Ms O said she wasn't aware of the debt, and she paid as soon as she received a notice of sums in arrears.

Nationwide didn't uphold Ms O's complaint, saying it was Ms O's responsibility to manage her account. Nationwide said they'd acted in line with their own process and with the industry's guidance in relation to credit reporting.

Our investigator concluded Nationwide's late payment markers were a fair and accurate reflection of what had happened on Ms O's account. He didn't think Ms O's complaint should be upheld, as he thought she'd been treated fairly by Nationwide in the circumstances.

Ms O disagreed and asked for an ombudsman's decision. She said she hadn't received her emailed statements and Nationwide should have notified her of the arrears after the first missed payment.

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 done so I have decided not to uphold Ms O's complaint, for broadly the same reasons as our investigator.

I recognise Ms O was not actively using her card at the time, but I think it was her obligation to ensure that she was complying with the terms and conditions of her account by checking her statements and meeting her minimum payments.

I can see that Nationwide generated paperless statements for Ms O's account and these notified her of the balance, the due payments, and that she'd missed payments. I think this was sufficient to fairly notify Ms O of the balance of her account.

I'm satisfied that there were two months of arrears. I say this because Ms O's statements show she cleared her balance in May 2024 but in August 2024 an annual insurance premium renewed leading to a balance that then wasn't paid in September 2024 or October 2024.

I acknowledge Ms O thinks the notice of sums in arrears should have been sent after one missed payment. I wouldn't expect Nationwide to do this, as their notice of sums in arrears was a formal notice required by the Consumer Credit Act 1974 once Ms O had missed two payments.

The Information Commissioner's Office ('ICO') requires firms like Nationwide to report information to the Credit Reference Agencies. In its document 'Principles for the Reporting of Arrears, Arrangements and Defaults' the ICO says that *"data that is reported on your credit file must be fair, accurate, consistent, complete and up to date."*

Given Ms O was issued statements and missed two payments, I don't consider it was unfair or inaccurate for Nationwide to report her arrears to the Credit Reference Agencies.

I understand why Ms O wanted Nationwide to be more sympathetic to her, given she'd paid off her balance and hadn't purposefully avoided paying her debt, but I don't think it was unfair for Nationwide to follow the ICO's guidance that firms should report arrears at the *"earliest reasonable opportunity."*

In these circumstances I haven't found that Nationwide acted unfairly towards Ms O. I'm sorry to disappoint Ms O as I know she's been worried about the impact to her credit file, but I won't ask Nationwide to take any action on this occasion.

It may help Ms O to know that she can contact each of the main Credit Reference Agencies to place a notice of correction on her credit file. This is a short paragraph that can give context to entries such as Nationwide's arrears markers here, and will be visible for potential lenders to consider when reaching any lending decisions.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 14 July 2025.

Clare Burgess-Cade
Ombudsman