

The complaint

Mr B complained that Clydesdale Financial Services Limited trading as Barclays Partner Finance ("BPF") unfairly reported adverse information to the credit reference agencies about an agreement he had.

What happened

The circumstances of the complaint are well known to both parties. So, I won't repeat everything here. But, in summary, Mr B entered into a fixed sum loan agreement with BPF in October 2023 in order to purchase a device. He agreed to make 12 repayments of around £106 by direct debit starting one month after the loan was signed and subsequent payments on the same day each month. The loan was interest free.

Mr B found that BPF had reported a missed payment to the credit reference agencies (CRAs), so he made a complaint to BPF. He said it was incorrect data as he hadn't missed or been late with any payments on the account. He said he had 30 days to make the payment from the date of his statement.

BPF didn't uphold the complaint explaining that he had missed a payment, and it was a factual reflection of his payment history.

Mr B referred the complaint to our service. An investigator here considered the complaint and didn't think BPF needed to do anything further.

Mr B disagreed. In summary he said:

- The Financial Conduct Authority (FCA) requires regulated firms to give customers at least 30 days to settle missed payments before reporting the account as defaulted to CRAs
- The account was settled within 20 days which falls well within the FCA 30-day guidance
- There was no Notice of Arrears, and he attempted to address it reasonably and promptly. The account was reported in default which constitutes premature and damaging action. The missed payment contravenes FCA guidance on fair treatment and credit reporting timelines.
- Mr B asked for a response which acknowledged the regulatory standards in place. He referred to Principle 6, Principle 7, CONC 6.7.2R and 7.3 and the Information Commissioner's Office (ICO) guidance
- The agreement does not set out when a late payment marker would be recorded and it was his decision as a customer when to set his preferred payment date.
- The account was brought up to date and the reporting of the marker was disproportionate. The offer of £100 compensation as a token gesture of goodwill acknowledges an error, but this was not central to the complaint.

As Mr B disagreed, the complaint has been passed to me to make a decision.

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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

Mr B has complained about information reported to the CRAs about his fixed sum loan agreement. This is a regulated consumer credit agreement and I'm able to consider complaints relating to this sort of agreement.

Mr B has repeatedly referred to the account being reported as defaulted and he's referred to the FCA guidance on that. The problem here is that Mr B's account has not been defaulted, and from what I've been shown by both parties no such information was reported to the CRAs. So, I'm not going to go into detail on the regulations he's referred to about defaults, as I don't think they are particularly relevant to the circumstances of this case.

But I have kept in mind other regulations that he's referred to including Principle 6, Principle 7, CONC 6.7.2R and 7.3 and the ICO guidance.

The key thing for me to decide is whether he made one of his repayments too late, and if it was fair for BPF to report information about this to the credit reference agencies.

As a starting point, the agreement is a fixed sum loan agreement. Unlike some other types of credit, a consumer doesn't get a certain amount of time to make a payment following a monthly statement. There's nothing set out in his agreement (or statements) which explains he has 30 days from his statement to make a payment.

The fixed sum loan agreement sets out when payments are required. In this case it said:

We will pay the amount of the loan to the retailer once we approve the loan and receive the signed agreement or when the retailer has supplied or shipped the goods or provided the services to you, if this is later. The loan agreement will begin on the date we pay the retailer and end after 12 months.

If you don't make payments when they are due or you miss several payments, the following may apply. You may have to repay the loan early. Your credit record may be affected in a way that makes it harder or more expensive to borrow in the future

We will collect your monthly repayments on the same date each month as the first monthly payment, or on the next available working day.

Your first repayment date is one month from the date we pay the loan to the retailer. We must take your first repayment on that date. If you want to change your repayment date this may mean you have to make more than one repayment in one month. You can change the date of the remaining payments, but this may mean you have to make more than one repayment in one month.

Mr B asked to change the date of his direct debit to from 6 to 26 September. But BPF received a notification that the direct debit was cancelled and the direct debit in September

was unpaid. Mr B didn't make any payment for the month of September, he caught up with his payments in October 2024.

I don't think it is in dispute that Mr B didn't make a payment at all in the month of September 2024, or that he'd missed payments in earlier months and caught up quickly by making a manual payment. Unlike earlier months, BPF can't report September as paid on time because it received no payment.

I've seen various letters that BPF sent to Mr B after his payments were late. I don't think the content was unreasonable and it clearly explained the consequences of non-payment. It also notified him of the risk of escalating debt, and potential financial difficulties, signposting him appropriately for support. As this was an interest free loan there was no risk of additional interest. Considering the relevant guidance, I think this was an indication that BPF were monitoring Mr B's repayment record and taking appropriate action where there were potential signs of repayment difficulties.

I've thought about whether BPF made it clear to Mr B that missing a payment would affect his credit file, and I think it did. It is clearly set out on the pre contractual credit information, the agreement and in the letters he was sent. BPF didn't report missed payments for June and July 2024, because although the payments were also late, its process is only to report once a month. So, it was only September's missed payment that was reported. This was a true and accurate reflection of his payment history, so I don't think BPF have treated him unfairly.

In response to our investigator Mr B mentioned an offer of £100 compensation as a token gesture of goodwill, but it was not central to his complaint. For the avoidance of doubt, I've seen no evidence of such an offer, so I won't address this further.

Taking everything into account, although I know Mr B will be disappointed by my decision, I don't think BPF has acted unfairly, so I won't be asking it to do anything to resolve this complaint.

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 Mr B to accept or reject my decision before 18 August 2025.

Caroline Kirby
Ombudsman