

The complaint

Miss C complains that Santander UK Plc (“Santander”) unfairly recorded a missed payment marker against her credit file.

What happened

Miss C missed a minimum payment deadline on her credit card account, held with Santander. The timeline of events is as follows:

- The minimum payment was due by 14 June 2025, but Miss C didn’t make a payment for that statement month by this deadline.
- Santander reported the missed payment to the Credit Reference Agencies (“CRAs”) on 18 June 2025.
- Santander sent a “Notice of Default Sums” letter to Miss C on 18 June 2025.
- Miss C made a payment, bringing the account up to date on 21 June 2025.

Miss C complained to Santander. In summary, she said Santander unfairly, inaccurately and prematurely reported a missed payment to the CRAs, in breach of both Financial Conduct Authority (“FCA”) and Information Commissioner’s Office (“ICO”) guidance. She says she should have been given notice and an opportunity to put things right before the adverse data was recorded.

In its final response, Santander didn’t uphold Miss C’s complaint. It said it provided notice of her requirement to pay her account via the statement sent in May 2025. That confirmed the payment needed to be made by 14 June 2025. As the payment was missed, a late payment was reported to the CRAs. Unhappy with this, Miss C referred her complaint to this service.

Our Investigator didn’t uphold the complaint, largely because they felt Santander had accurately recorded the missed payment with the CRAs and hadn’t done anything wrong.

Miss C didn’t agree and referred to regulatory principles and industry standards which she said apply to her situation. In summary, she said:

- CONC 7.4.2R requires that a firm must inform the customer of the missed payment as soon as reasonably practicable. As Miss C says she didn’t receive notification before the missed payment was recorded on her credit file, she says Santander are in breach of this FCA rule.
- The FCA’s Principle 6 (Treating Customers Fairly), requires firms to pay due regard to the interests of customers and treat them fairly.
- The FCA’s Principle 7 (Clear, Fair and not Misleading Communication) requires firms to communicate information to customers in a clear and fair manner.
- CONC 7.9.4G - before reporting a late payment to a credit reference agency, the lender should ensure the customer has been notified of the situation and that reasonable efforts have been made to contact the customer.
- Other banks Miss C holds accounts with, provide at least 30 days for customers to resolve payment issues before reporting to CRAs.

- She was unfairly penalised because her payment date fell so close to Santander's administrative date for reporting late payments. A customer with a payment date two weeks earlier would have had more time to resolve the issue before the adverse information was recorded. This means customers are treated differently which is unfair, in line with FCA principles.

Because the parties couldn't agree, the matter has been passed 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.

Having done so, I know this will disappoint Miss C but I'm not upholding her complaint – and I'll explain why.

Before I do, I want to explain that I appreciate I've set out Miss C's complaint in less detail than she has, and I haven't answered every one of her points individually. Rather, I've focused on the crux of the matter. I mean no discourtesy by this, it's merely to reflect the informal nature of our service and I want to reassure her that I've considered everything very carefully.

I don't think there's any dispute between the parties that Miss C made a late payment towards her credit card account. Instead, the essence of Miss C's complaint is that she wanted some notice from Santander, before it recorded the adverse information on her credit file. Because had it given her notice, she says she would have immediately made the payment and avoided the marker on her credit file. She says she had a good payment history up until this point and she's explained that having been in some financial difficulty in the past, she is particularly careful to manage her credit well. Based on this, I can understand why Miss C is unhappy with what's happened and I'm very sorry to hear about the impact it's had on her.

In saying this, I don't think Santander has done anything wrong here and I have reached the same overall conclusion on this complaint as our Investigator. I don't think it would be fair and reasonable in all the circumstances of this case, to ask Santander to amend Miss C's credit files.

Lenders have an obligation to provide CRAs with accurate information on how a customer's account is being managed. This is because other lenders rely on that information when it comes to making credit decisions. This includes information on late and missed payments.

The ICO guidance: “Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies” sets out, relevant to this complaint:

“2. Should a payment not be made as expected, information to reflect this will be recorded on your credit file

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.”

So, I’m satisfied therefore that Santander, when reporting to the CRAs that Miss C made a late payment, it was doing so accurately.

I’m also satisfied Miss C’s May statement clearly set out when the payment was due by and, having read the terms of her account, those put her on notice that Santander can report information about how she manages her account, to the CRAs. So, Santander provided enough information for Miss C to know when her payment was due by and what might happen if she didn’t make the payment on time. Following this, Santander notified Miss C she’d missed a payment via the Notice of Default Sums letter, as well as notifying her she’d missed a payment on her next account statement.

I don’t think Santander needed to do more than this. In other words, it didn’t need to notify Miss C *before* reporting to the CRAs that she’d missed or made a late payment. Whilst Miss C has referred to several principles and rules, some of the information she’s provided, particularly in relation to CONC, isn’t reflective of what those rules actually say. And whilst she’s referred to 28 days’ notice being required to rectify payment issues before negative information is recorded, that’s in relation to recording a default so it isn’t relevant here. On the contrary, I’m satisfied there isn’t an explicit requirement for lenders to notify a customer before reporting late or missed payments to the CRAs.

Miss C has also raised points around the fairness of what’s happened. I know she says a Santander representative told her the missed payment was unfortunate timing because of when Santander sends bulk updates to the CRAs. As that led Santander to record the adverse information soon after she missed the payment. And I know Miss C feels this means other customers might be treated more favourably than her. She also says that most lenders wait around 30 days before reporting adverse information.

I’m not persuaded it’s the case that Miss C would have avoided the late payment marker had the missed payment been timed differently. Even if, for some customers, there may be a longer period before Santander is due to report to the CRAs, that doesn’t mean that Santander won’t record a late payment marker. Even if that customer does bring the account up to date within that time. So, I don’t necessarily think it’s the case that other customers are getting the opportunity to put things right, merely because Santander reports to the CRA in bulk, at a set time.

What’s key here, is that even if a lender *chooses* to wait before reporting adverse information, it simply doesn’t have to. Santander wasn’t required to give Miss C an opportunity to bring the account up to date before reporting to the CRAs, for the reasons I’ve explained above. So, I can’t say that’s what it should have done for Miss C.

Miss C has also referred to Principles 6 and 7, as set out above. Principle 6 has now, for the most part, been incorporated into the Consumer Duty. But, in all the circumstances of this case, for the reasons explained, I don’t think Santander has made an error here, nor treated Miss C unfairly.

So overall, for the reasons explained, I'm not upholding Miss C's complaint.

My final decision

For the reasons explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 9 March 2026.

Sophie Kyprianou
Ombudsman