

## **The complaint**

Mr T is unhappy Vanquis Bank Limited did not notify him that his credit card account would be reported as defaulted to the credit reference agencies (CRAs).

## **What happened**

In March 2025 Mr T discovered Vanquis had reported his credit card account as defaulted to the CRAs from 31 December 2024. Mr T raised a complaint that he had not been notified of this and so had missed the opportunity to prevent the default from being reported.

Vanquis said they had not done anything wrong given Mr T's account had accumulated several months of arrears. They also said a Notice of Default had been issued to Mr T on 2 December 2024 and they sent him a reminder on 14 December 2024 before reporting the account as defaulted.

Our Investigator reviewed the matter and concluded Vanquis had not done anything wrong or acted unfairly when reporting the account as defaulted, so they did not uphold Mr T's complaint.

Mr T strongly disagreed. To summarise, Mr T said he had not received the Notice of Default from Vanquis, and that Vanquis had not done enough to contact him prior to reporting the account as defaulted. Mr T said he cleared the arrears as soon as he became aware of them and said Vanquis's actions had been disproportionate, unfair and unreasonable causing him long-term detriment.

## **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 have only included a summary of what has happened above, and while I may not respond to all the points either party has raised I have reviewed all the submissions available and focused on what I consider relevant to reaching a fair and reasonable resolution in this matter.

To reach a fair and reasonable decision I have taken into account any relevant law and regulations, 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.

Where the evidence is incomplete, inconclusive or contradictory I have reached my decision on the balance of probabilities. In other words it means I have based it on what I consider is more likely than not to have happened given the available evidence and the wider circumstances.

I've first considered whether Vanquis were entitled to report Mr T's account as defaulted to the CRAs when they did.

The Information Commissioner's Office (ICO) sets out guiding principles for the reporting of arrears, arrangements and defaults to the CRAs. The ICO's principles set out if an expected payment is not made by the agreed time and / or for the agreed amount according to the terms and conditions of the account, then the account can be reported as being in arrears.

The ICO's principles set out a default may be reported usually when the account is three months in arrears, and normally by the time the account is six months in arrears.

The terms of Mr T's account set out he was required to make the minimum payment on his statement by the payment due date.

Having reviewed Mr T's statements from February 2024 until January 2025 it is possible to see that Mr T was in a payment plan for six months from the end of February 2024. The plan required Mr T to pay £10 each month and suspended interest and charges, allowing Mr T to bring his account back within his credit limit.

August 2024's statement indicated interest would be again added to Mr T's account, in effect signifying the end of the plan, and the minimum payment was no longer set at £10 per month. However, Mr T continued to pay £10 each month in August 2024, September 2024, October 2024, November 2024 and December 2024 – so by the time Vanquis reported Mr T's account as defaulted to the CRAs at the end of December 2024, Mr T's account had reached the requisite number of arrears allowing Vanquis to do this.

I therefore think Vanquis were entitled to report Mr T's account as defaulted when they did. I've also considered whether, in the circumstances, it was fair of Vanquis to do so.

Mr T's driving point is that he did not receive any notification from Vanquis that his account was going to be reported as defaulted, otherwise he says he would have done something to prevent this from happening.

As I'm sure Mr T can appreciate, it is not possible for me to know whether or not he received the relevant communications from Vanquis. And when there are two different versions of what has happened, as I explained earlier, I consider what most likely happened. On balance, I think it is fair to say Vanquis more likely than not issued Mr T with the Notice of Default on 2 December 2024.

I say this because Vanquis have produced a copy of the letter, correctly addressed, and internal records supporting that the letter was issued from their systems. I therefore think it more likely than not Vanquis issued the letter.

I realise Mr T has emphasised not receiving it, but it would be unreasonable for me to hold Vanquis responsible for any issues there may have been with the postal service. As I've said, I think Vanquis more likely than not issued the letter they were required to send. And I'm not aware of any requirement for Vanquis to have contacted Mr T by other means.

I think it's reasonable to say Mr T was aware of his responsibility to repay his borrowing. As noted earlier, under the terms of Mr T's account he needed to pay the required payment by the payment due date, and continuing to pay £10 each month despite his statements requesting higher minimum payments from August 2024 meant he was not meeting his responsibilities under the account.

Mr T's statements from September 2024 to December 2024 also set out that he had failed to make a minimum payment, and a Notice of Sums in Arrears was sent with November 2024's statement highlighting there had been missed payments.

I do not underestimate how important this matter is to Mr T, but to uphold Mr T's complaint I must find that Vanquis have done something wrong or, in the circumstances, acted unfairly and in this matter I have not seen enough to persuade me they have.

Taking everything into account I think Vanquis were entitled to report the account as defaulted when they did and in the circumstances it was fair of them to do so.

**My final decision**

For the reasons above, my final decision is that Mr T's complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 February 2026.

Kristina Mathews  
**Ombudsman**