

The complaint

Mr F has complained about information recorded on his credit file by Bank of Scotland plc trading as Halifax.

What happened

Mr F held a current account with an arranged overdraft limit of £1,650. In December 2024, Halifax applied its daily overdraft charge, which caused the outstanding balance to exceed the arranged overdraft limit. Halifax wrote to Mr F in January 2025, asking him to repay his unarranged overdraft. This letter offered support and asked Mr F to get in touch.

Mr F initiated a transfer of money into his account in late January 2025, which his statements show cleared into his account on 27 January 2025. This brought his account balance to £1,650. However, later that day, Halifax applied its daily overdraft charge and the account again exceeded the agreed overdraft limit.

Halifax suspended interest and charges from 30 January 2025, when it wrote to Mr F to let him know it could offer support if he couldn't make a payment for his unarranged overdraft. Halifax wrote to Mr F again in February 2025, letting him know it would close his account in two months if he didn't get in touch to agree a repayment plan or make a repayment for the full unarranged overdraft amount.

Mr F's account remained overdrawn until March 2025, when Mr F transferred money into his account to bring it Bank of Scotland plc trading as Halifax within its agreed overdraft limit. He complained to Halifax after discovering it had recorded two months of missed repayments for the overdraft on his current account.

Halifax issued a final response to Mr F in June 2025, which said the information reported on Mr F's credit file was correct. Unhappy with this response, Mr F referred his complaint to our service. Mr F explained his complaint and the impact this matter had had on him, and he was concerned Halifax hadn't taken his mental health into consideration.

One of our investigators reviewed Mr F's complaint but didn't think it should be upheld. The investigator said Halifax had provided appropriate that his account had exceeded the arranged overdraft limit. As Mr F's account had exceeded the arranged overdraft limit for over two full months, it was entitled to apply missed payment markers for January and February 2025. Whilst Halifax was aware of Mr F's mental health concerns, it wasn't obliged to put his account on hold or contact him to offer further support.

Mr F asked for an ombudsman to review his complaint. He said an overdraft doesn't operate on a scheduled repayment basis so late or missed repayments shouldn't be reported on his credit file. He said his account wasn't over the limit for 35 consecutive days, so no adverse information should have been recorded on his credit file. Moreover, it was Halifax's interest that caused him to exceed his overdraft and it hadn't contacted him on a personal level outside of its automated letters. Mr F felt his mental health concerns had been ignored by

Halifax when he raised this with them in September 2024.

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 considered the information submitted by all the relevant parties but won't be commenting on it all. I'll comment only on the issues I consider to be crucial to the outcome of this complaint. This isn't intended as a discourtesy to either party but reflects the informal nature of our service.

Mr F says an overdraft doesn't work on a scheduled repayment basis. However, his unarranged overdraft was repayable on demand. Halifax had written to Mr F on 10 January 2025 to ask him to repay the unarranged overdraft. This letter also let him know that repaying the unarranged overdraft may help protect his credit score.

Mr F may have transferred money into his account on 25 January 2025 but his statements show this didn't clear until 27 January 2025. His account then exceeded his arranged overdraft limit later that day. So, Mr F's statements say his account was over the agreed overdraft limit from late December 2024 until early March 2025. This means Mr F's account exceeded the agreed overdraft limit throughout January and February 2025 and he hadn't repaid the unarranged overdraft as Halifax had requested. Because of this, I don't think it was unreasonable for Halifax to record the account as in arrears for these months.

Mr F says it was Halifax's interest that caused him to go overdrawn. However, Halifax was contractually entitled to apply overdraft this interest and it wasn't obliged to suspend it because it would cause his account to exceed or remain in an unarranged overdraft. Halifax did, however, suspend interest from 30 January 2025. In doing so, I think Halifax gave Mr F a reasonable period to bring his account within the agreed overdraft limit and seek additional support. I think the letters Halifax sent were clear about the steps he needed to take to repay the unarranged overdraft.

Mr F says Halifax hasn't taken into account his mental health and didn't contact him outside of its automated letters. The letters Halifax did send Mr F offered to discuss the additional support it could offer. Halifax's letters were addressed correctly and I have no reason to doubt they were sent. Halifax wasn't obliged to make additional contact with Mr F. It produced statements letting him know the outstanding balance of his account and it was Mr F's responsibility to monitor his account and contact Halifax if he needed additional support. Overall, I've not seen that Halifax breached any of its obligations to Mr F.

I realise my decision will likely disappoint Mr F, who has explained the impact this matter has had on him and his finances. However, I don't think Halifax acted unreasonably in recording adverse information on his credit file in January and February 2025. Halifax is obliged to ensure Mr F's credit file is an accurate record of the history of his account, which was operating outside of its agreed limits throughout this period. So, I don't think Halifax is obliged to remove this adverse information as Mr F has requested.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 10 March 2026.

Victoria Blackwood
Ombudsman