

The complaint

Miss R complains that TSB Bank plc unfairly reported late payments on her credit file and then failed to remove them as agreed.

What happened

Miss R is a customer of TSB. In November 2024, she raised a fraud claim on her TSB credit card which took time to deal with. As Miss R didn't make a payment pending resolution of her claim, TSB reported a missed payment. In February 2025, TSB apologised and wrote off the remaining balance so that it could close the credit card account. TSB paid Miss R £75 compensation and agreed to request an amendment of her credit file.

Miss R came to the Financial Ombudsman in April 2025 as TSB hadn't amended her credit file. Miss R said that TSB had agreed to remove an earlier late payment entry from her credit file. She says she paid her credit card late because of difficulties withdrawing money from a TSB savings account to make the payment.

TSB said that it wasn't willing to remove the June 2024 late payment as it had reported this correctly. TSB apologised for not removing the missed payment for November 2024. It offered a further £75 compensation and said that it wouldn't look to deduct an amount which it had incorrectly credited to Miss R's account after a chargeback claim.

Miss R didn't accept TSB's offer. She said that she made the June 2024 payment late because she had to travel to a branch to withdraw money from her savings account rather than being able to use online banking to move the money. Miss R doesn't think it's fair to leave the June late payment on her credit file.

Miss R was unhappy with the compensation offered by TSB and didn't want it to be paid to her credit card account as she had asked for it to be closed. Miss R said that TSB's actions have caused stress and negatively impacted her credit rating after never missing any other payments.

Our investigator thought TSB's offer was fair. She said that TSB is required to report accurate information to the credit reference agencies. Our investigator understood it was inconvenient for Miss R to have needed to visit a branch to withdraw money from her savings account which in turn led to her making the credit card payment late. But our investigator didn't think this was due to a mistake by TSB.

Miss R remains unhappy with the outcome. She says that it is a flaw in TSB's process which prevented her from transferring money from her savings account online. Miss R said she'd deposited money into her savings account in time to make the payment due on her credit card account. Miss R says that TSB should have resolved her fraud claim within minutes online. She thinks it is unfair to penalise her for something which could have been avoided if TSB had handled things better.

As Miss R's complaint remains unresolved, it has come 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.

I appreciate that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules which govern the Financial Ombudsman, together with the informal nature of our service, allow me to take this approach. But this doesn't mean I have not read and considered everything the parties have given to us.

I am sorry to disappoint Miss R but overall, I agree that TSB has now done and offered enough to put things right and will explain why.

I am sorry Miss R found the process of raising a fraud claim difficult. But I think that by writing off the balance on her credit card, paying compensation and agreeing to amend her credit file, TSB responded fairly to her concerns in early 2025.

It is unfortunate that TSB didn't amend Miss R's credit as agreed. For that, it has apologised and offered a further £75. I don't underestimate the inconvenience caused to Miss R because of this but I consider TSB's offer is reasonable. If Miss R accepts my decision and would like TSB to send her the payment in a certain way, she should let us or TSB know.

I understand that Miss R is unhappy that TSB wouldn't allow her to move money from her savings account online. This meant she had to visit a branch at a time when it was difficult to do so for personal reasons. Because of this, she made her credit card payment late. But I could only uphold this aspect of Miss R's complaint if TSB had done something wrong or treated her unfairly.

The savings account Miss R has with TSB is meant to be managed by phone or online. But the terms of the account say that you can only take money out if you pay it into a TSB current or savings account. Miss R had already closed her TSB current account and didn't want to move the money to another TSB savings account. So, I don't think it was unreasonable for TSB to say that she would have to withdraw the money in branch. As I don't find that TSB made a mistake which in turn led to Miss R making the payment late, it follows that I don't require it to remove the June 2024 late payment from her credit file.

I appreciate that Miss R has encountered difficulties obtaining credit due to the late payment entries. Lenders use credit data along with any information the applicant has provided to assess a credit application. It may be the case that having just one late payment on a credit file would have led a lender to decline a credit application. Or there may have been other reasons why a lender declined Miss R's application. Without evidence that a lender rejected a credit application solely because there were two rather than one late payments, I wouldn't look to award additional compensation to reflect the impact of TSB not amending Miss R's credit file as agreed in early 2025. If Miss R has this evidence and wants to put it to TSB, I don't see why she couldn't do so as part of a new complaint.

My final decision

TSB has made an offer which I consider is reasonable. So, my final decision is that if it hasn't already done so, TSB Bank plc should pay Miss R £75..

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 4 December 2025.

Gemma Bowen
Ombudsman