

The complaint

Mr L is unhappy that Fairscore Ltd trading as Updraft told him his settled loan account was in arrears incorrectly. He also complains that he's been unable to access his loan documents in the app.

What happened

The parties are familiar with the background of this complaint, so I will summarise it briefly here, which reflects my informal remit.

Mr L took out a loan with Updraft which was fully settled in June 2022.

On 31 July 2025 he received an email stating his account was in arrears, along with a notice of sums in arrears (NOSIA) dated 8 February 2024. Concerned, Mr L said he reviewed his records to check for any missed payments. He then attempted to contact Updraft but was unable to get through via phone or online chat. He said the situation caused him significant stress, and he had to leave work early.

Later that same day, Updraft sent a follow-up email confirming the NOSIA was sent in error and that no action was required. Mr L said he remained concerned and that he didn't receive a direct response, about his account, until 5 August 2025. Mr L also said he experienced ongoing issues accessing his loan documents via the app.

Updraft sent a final response in September 2025 and upheld his complaint. It explained that system changes had incorrectly reclassified some closed accounts as being in arrears, which triggered the NOSIA being automatically generated and emailed to a small number of customers. Updraft said it sent a correction email within around two hours, which confirmed no action was required. It apologised to Mr L and confirmed the error had no impact on his credit file, didn't trigger any collections processes, and his account remained closed.

In terms of accessing his documents via the app, Updraft said all loan documentation had originally been provided by email and offered to resend any documents on request. It also said it would continue to look into the app issue but was unable to provide a timeframe for when it would be resolved.

An investigator at our service considered the case but didn't uphold it. They accepted the incorrect NOSIA letter was inconvenient and understandably caused Mr L worry, but noted it was resolved the same afternoon, and caused no lasting or financial impact. The investigator also considered Updraft's approach to providing the documents outside the app to be reasonable.

Mr L disagreed and in summary said:

- The app issue still remained unresolved, and he shouldn't need to request documents that should be readily accessible.
- At the time of the incorrect NOSIA being issued, the phone number wasn't working

and there was no recorded message from Updraft explaining the situation.

- He didn't receive direct confirmation about the impact on his actual account until several days later.
- The incorrect communication had reference to a debt collection agency causing him additional concern.
- There was no guarantee that the debt collection agency wouldn't contact him in the future regarding this issue.
- There was a large amount of stress and anxiety with how far this error could've gone.

As Mr L remained unhappy, the case has been referred to me to make a final 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.

Whilst I've read and considered everything, if I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. This is not meant as a discourtesy but rather reflects my role of resolving disputes with minimum formality.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice.

Mr L has raised two main issues, which I'll consider in turn:

- receiving incorrect communications stating his account was in arrears; and
- being unable to access documents though the app.

Incorrect arrears communication

There's no dispute that the communications sent to Mr L on 31 July 2025 about his account being in arrears was issued in error. The key question is whether Updraft acted fairly and reasonably in its response once the error occurred.

Based on the available evidence, it shows the incorrect information was issued around 1:47pm, and around 3:17pm the same day Updraft had sent a follow-up confirming this had been sent in error and that no action was required. So, I consider the issue was identified and corrected within a relatively short period of time.

I accept this would have been concerning for Mr L, particularly given the account had been settled for over three years. However, I'm satisfied that Updraft acted promptly to put matters right and provided clear reassurance on the same day to Mr L.

I've considered Mr L's point that the correction email was generic and that he didn't receive a direct response about his account until a few days later. However, the evidence shows that when he contacted Updraft on the day, Mr L himself indicated he believed the message was likely a technical error, given the loan had been settled a few years earlier. This was after Updraft had already issued its correction email explaining the situation. In those circumstances, I think Mr L would've been reasonably aware of the account position and that

no further action was required.

I also note Updraft's explanation that its contact channels were under significant pressure due to the volume of affected customers, and that it implemented a phone message to inform callers that the notice had been issued in error. While Mr L has said he didn't hear this message when he called, I don't think this materially changes my findings, given Updraft had already issued a clear correction email the same afternoon confirming the notice had been sent in error and that no action was required.

In relation to the reference to a debt collection agency, Updraft has confirmed that no collections activity was initiated, the account remained closed, and there was no impact on Mr L's credit file. Given the account was settled in full in 2022, and the notice was issued in error and promptly corrected, I think it's reasonable to conclude that it's unlikely Mr L will receive contact from a debt collection agency where there is no outstanding balance to pay on the account.

Taking everything into account, I'm satisfied that this was a short-lived operational error which Updraft corrected promptly and appropriately. While it understandably would've caused Mr L concern, I don't find that Updraft acted unfairly or unreasonably once it was aware of the error.

Access to documents in the app

Mr L has also said he's been unable to access his loan documents through the app over a prolonged period.

I can see he raised this on multiple occasions, and that Updraft provided troubleshooting steps, such as reinstalling and updating the app, and investigated the issue. Updraft has also explained to our service that the functionality appears to be working as expected for other users, and its engineering team hasn't been able to replicate the problem despite repeated attempts, suggesting the issue may be specific to Mr L's device or setup.

Where a technical issue can't be resolved, I would expect a business to take reasonable steps to ensure the customer can still access the relevant information they need. In this case, Updraft has confirmed the documents were originally provided by email and has offered on a number of occasions to resend them or provide them directly on request to Mr L.

I appreciate Mr L's preference is to access the documents via the app. However, given this doesn't appear to be possible and Updraft has also made those documents available through alternative means, should Mr L want them, I'm satisfied it has taken reasonable steps to ensure Mr L is not disadvantaged by this technical issue.

In the circumstances, I don't consider that the inability to access documents through a specific app function, in isolation, means Updraft has acted unfairly - particularly where a practical and ongoing alternative has been provided.

Overall while I recognise this situation caused Mr L understandable concern and inconvenience, I'm satisfied that Updraft acted fairly and reasonably in the circumstances and I therefore don't uphold this complaint.

My final decision

I don't uphold this case against Fairscore Ltd trading as Updraft.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 22 May 2026.

Farhana Rahman
Ombudsman