

## **The complaint**

Mr C complains that Bank of Scotland plc didn't close an inactive account, which he says has affected his credit score.

## **What happened**

Mr C had a current account with BoS that was still appearing on his credit report, even though he hadn't used the account since 2015. Mr C says he had forgotten about the account and hadn't received any letters, statements or bank cards relating to the account for years.

Mr C says he moved abroad in 2017 and didn't live in the UK again until 2024, so he couldn't have managed the account during this time. But despite this BoS recorded it as an active account on his credit file.

When Mr C contacted BoS about the account, the staff he spoke to couldn't find the account – he said he spoke to numerous people via different communication methods.

Once Mr C raised a formal complaint, BoS located the account. It confirmed the account was opened in 2011, had a zero balance since 2018 and was officially closed in 2025.

Mr C says that the result of this is that his credit file has possibly been impacted, which could have resulted in different rates or credit agreements being offered to him. He's also said he spent a lot of time trying to resolve the matter which caused him frustration.

BoS responded to Mr C's complaint and upheld it in part. It paid him £100 for the distress and inconvenience Mr C went through in attempting to contact BoS about the account. However, it said it hadn't received a request from Mr C to close the account in 2018 when the balance reached zero. And so the account closed in line with its dormancy process.

An Investigator considered the evidence provided by both parties, but they didn't think BoS had done anything wrong in terms of not closing the account sooner. They also thought BoS's offer of compensation was fair for it initially not being able to locate the account which caused Mr C frustration.

Mr C didn't agree with the Investigator's view; I have summarised his main points below:

- It is inaccurate to report to the credit reference agencies that the account was open and active when it had a zero balance since 2018.
- Internal dormancy markers don't justify external credit file reporting.
- It isn't reasonable of BoS to rely on him, having not formally requested for the account to be closed to leave it open when it had been inactive for so long.
- Failure to locate the account wasn't a minor service issue.
- BoS are reporting an incorrect address for him to the credit reference agencies.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

## **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 considered all of the evidence available, I don't uphold Mr C's complaint. I appreciate this decision will come as a disappointment to him; however, I will explain how I have reached my outcome below.

Before I do that, I want to make it clear that I have read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint. I say this, as I'm aware I have summarised Mr C's complaint, and the responses to the Investigators view in less detail than he has.

It isn't in dispute here that the balance on Mr C's account has been zero since 2018. But just because the balance is zero; it doesn't mean that BoS were required to close the account. On the contrary, I wouldn't have expected BoS to have closed the account just because the account became inactive with a zero balance. Given that Mr C didn't request the account to be closed, I don't find that BoS did anything wrong in not closing the account down sooner. If Mr C had wanted the account closing once the balance reached zero, then it was up to him to request this in the first instance.

BoS has said that it had internally marked the account as being dormant; but there's no set timescale that banks and building societies follow in regard to dormant accounts and it varies depending on the financial institution. And not all providers make accounts dormant; moreover, just because an account is considered dormant, this doesn't necessarily mean that a firm should take action to close the account down. Some banks might do this, but it isn't a requirement.

Because the account wasn't closed, it was accurate of BoS to report the account to the CRA's as being open. BoS could have reported the account as inactive to the CRA's; I don't know exactly how it reported the account, so it's possible it did do this. But I don't think either reporting it as open, or as inactive, is likely to have had much impact on Mr C's credit score. And even if it had, it was up to Mr C to let BoS know if he wanted the account closing, therefore I can't hold BoS responsible for any historic impact to his credit file while the account was open.

There were clearly some customer service issues Mr C experienced when he contacted BoS to locate the account. BoS has acknowledged this by paying Mr C £100. While I accept that it would have been frustrating for Mr C to have had to contact BoS about the account on multiple occasions, I'm satisfied the £100 to put things right is a fair way to settle things. I say this because I'm not persuaded that what happened caused anything more than frustration and time taken to contact BoS. I note Mr C says this delayed him having the account closed and ultimately his credit report updated; but I'm not persuaded the minor delays warrant more compensation in the circumstances of what's happened here.

I note that more recently that Mr C has said that BoS are reporting an incorrect address for him to the CRA's; as this wasn't included in Mr C's initial complaint, I haven't considered this point further. Mr C will need to raise this with BoS in the first instance if he hasn't already.

### **My final decision**

For the reasons set out above, I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 May 2026.

Sophie Wilkinson  
**Ombudsman**