

complaint

Mr W complains that NewDay Ltd won't remove late and non-payment markers from his credit file.

background

Mr W moved house shortly after opening a store card account. NewDay received returned mail from his address, so stopped any further letters and statements from being sent to him until it had successfully traced him. In the meantime, Mr W phoned to tell it his new address and to make the minimum payment shown on his first statement. NewDay updated Mr W's address, but didn't remove the statement hold marker. NewDay didn't send Mr W any statements until February 2016 and Mr W didn't make any payments.

NewDay apologised and agreed to refund late fees and interest; it also offered to pay him £20 as a gesture of goodwill. Mr W paid the balance due and the account was closed. But his credit file reflects that he didn't make any payments from October 2015 to January 2016.

Our investigator didn't recommend that the complaint should be upheld. She concluded that, although Mr W didn't receive any statements, he knew there was an amount outstanding and he knew he could phone to pay what he owed. She thought Mr W's credit file was an accurate representation of what had happened.

Mr W didn't agree. He accepted he had signed an agreement which required him to pay the money he owed on the card – but he never received a statement or letter telling him what he owed.

my findings

I have considered all of the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The card agreement says:

"Each month you must pay at least the minimum monthly payment set out in your statement before the payment date shown there."

NewDay made a mistake and didn't send Mr W any statements for four months. It has acknowledged its mistake and it refunded its late fee and interest charges. It also offered to pay Mr W £20 as a gesture of goodwill.

Although Mr W didn't receive the monthly statements, he knew he owed money on the account and he hasn't said that he forgot about this – he says he *"waited for a bill that never came"*. He had already phoned NewDay to make his first payment, so he knew he could phone to make the other payments that were due. He didn't make any payments for four months and this is reflected on his credit file. In the circumstances, I don't conclude that NewDay is obliged to amend his credit file.

Mr W may wish to register a notice of correction with the credit reference agencies to explain, from his point of view, why payments weren't made, if he has concerns about his creditworthiness.

my final decision

My decision is that NewDay Ltd should pay Mr W £20.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 November 2016.

Elizabeth Dawes
ombudsman