

## **The complaint**

Miss B complains that Shawbrook Bank Limited failed to take her loan repayments then recorded missed payment markers on her credit file.

## **What happened**

Miss B says her direct debit payment to Shawbrook was taken in August 2022 but not for the next three months. She says she didn't receive any of Shawbrook's letters about the payments due to a postal strike until a default notice in around December 2022. Miss B says she paid the arrears, but Shawbrook has reported three missed payment markers on her credit file. She says that is unfair and has caused distress as she is considering re-mortgaging. Miss B says Shawbrook later told her it would remove the markers but then recorded a missed payment for January 2023 despite that payment being made.

Shawbrook says Miss B changed her bank details on 28 July 2022 and says the direct debit was later cancelled. It says it tried to call Miss B without success and hasn't made a mistake.

Miss B brought her complaint to us, and our investigator upheld the complaint in part. The investigator thought the direct debit had been changed but a different account had been cancelled which Shawbrook incorrectly recorded. The investigator thought Shawbrook should remove the September 2022 missed payment marker but thought it had tried to contact Miss B. He also recommended it pay £100 compensation.

Miss B doesn't accept that view and says she was told in a February 2023 call that all the markers would be removed.

Shawbrook hasn't replied to the investigator's view or provided the information that was requested.

## **My provisional decision**

I issued a provisional decision on this complaint and said that the fairest approach to this complaint would be for Shawbrook to remove all late or missed payment markers from Miss B's credit file. I said that as it's clear that both sides to this complaint could have dealt with matters differently, but I thought on balance the initial problems were caused by Shawbrook.

I agreed with the investigator about what is more likely to have taken place with the direct debit problem. I could see the original direct debit was cancelled and a new one set up which must have been successful as the August 2022 payment was taken. I also thought it likely that the wrong direct debit was then cancelled and thought on balance that must have been due to Shawbrook. I couldn't see how else the issue arose and thought it clear from looking at Miss B's bank account statements that she had sufficient money in the account to meet the direct debit payments. I also thought it was always Miss B's intention that the payments be made.

I didn't think Shawbrook had either commented on the investigator's view or provided evidence of an alternative explanation for what took place. I couldn't see that it had

explained why the amended direct debit was taken but then cancelled and didn't think it had commented on the different account details. So, I thought on balance the mistake in cancelling the correctly set up direct debit, originated in Shawbrook.

I appreciated Shawbrook did try and contact Miss B and I didn't think it clear why she didn't either reply to those calls or notice the direct debits had failed. I appreciated Miss B said a postal strike may have prevented her receiving letters, but I couldn't see why that would have been the case. I thought if there were such disruptions then it more likely there would be a delay in receiving letters. But I could see that Miss B, when she says was aware of the problem, did pay the three months arrears.

I said the key question was the removal of the missed payment markers. I accepted that lenders must report accurate information to the Credit Reference Agencies and Miss B did miss three payments. But I didn't think that explained the true position. I was satisfied on balance the problem was caused by a mistake, not made by Miss B, which was rectified when realised. I also saw that Shawbrook then appeared to have made a mistake by recording a missed payment for January 2023 which must have been a mistake and may have given Miss B the impression in a telephone call in February 2023 that it would remove all of the markers. I said "may have" as Shawbrook had not provided that call or any of the other information requested by the investigator.

So, on balance I thought the fairest approach would be for Shawbrook to remove all missed or late payment markers from Miss B's credit file. I thought that approach fairly reflected that a genuine mistake may have been the cause of the problem here rather than a borrower that either couldn't make a required payment or chose not to make one.

I also agreed with the investigator that as on balance the problem is more likely to have been caused by Shawbrook, that it should pay £100 compensation which I thought was fair and reasonable. I appreciated compensation was not the main part of this complaint.

Miss B agrees with my provisional view but again Shawbrook has not replied.

### **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 done so I have come to the same overall view that I reached in my provisional view and for the exact same reasons.

### **Putting things right**

Shawbrook should pay Miss B £100 compensation and remove all late or missed payment markers from her credit file. It should remove any adverse information it has recorded.

### **My final decision**

My final decision is that I uphold this complaint and order Shawbrook Bank Limited to remove all missed payment markers and or adverse information from Miss B's credit file as well as pay her £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 13 November 2023.

David Singh  
**Ombudsman**