

## **The complaint**

Mr T complains that Santander UK Plc incorrectly recorded that his mortgage was in arrears on his credit file.

## **What happened**

Mr T has a mortgage with Santander. He said that because of the Covid 19 pandemic, his business suffered and he wasn't able to pay the contractual amounts due on his mortgage. So the mortgage fell into arrears.

Mr T said the arrears were all repaid on 6 February 2023. But in February and March 2023 he said Santander reported that he had an "arrangement to pay" for his mortgage on his credit file – even after he had made the full contractual payment due those months. He considers that the information recorded by Santander is not accurate and it should be amended to show that a payment was made in full. Mr T said as a result of the incorrect information he was charged more for car finance than he otherwise would have been.

The investigator did not think the complaint should be upheld. He said that Santander had shown that it was reporting the correct information – that there was no arrangement to pay – in March 2023 and that Mr T would need to raise this matter with the credit reference agency.

Mr T did not accept what the investigator said. He said he'd already raised this matter with the credit reference agency and it said it was reporting the information Santander provided.

## **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.

Santander is obliged to report true and accurate information about how Mr T conducts his mortgage to credit reference agencies.

The arrears were capitalised on the mortgage on 3 February 2023. I think it is fair and accurate to show that Mr T still had an arrangement to pay in February 2023. The mortgage was still in arrears until the capitalisation had been finalised.

It is not in dispute that Mr T was up to date with his mortgage in March 2023. So that is what should be recorded on his credit file.

Mr T has given us a screenshot from a credit report dated 18 March 2023 showing his Santander mortgage. The report said that Santander updated the report on 1 March 2023. But that would not show how the mortgage was conducted in March 2023. That is why there is, as far as I can see, no information recorded against the mortgage for March 2023. The lender would not be able to record any information until the end of the month.

In any event, Santander has given us evidence to show that the information it reported to credit reference agencies for March 2023 shows that the mortgage was up to date with no

arrears. The evidence I have does not support that there has been any error by Santander.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 5 December 2023.

Ken Rose  
**Ombudsman**