

## **The complaint**

Mr and Mrs F complain that Elderbridge Limited has incorrectly recorded information on their credit file.

## **What happened**

Mr and Mrs F complained to Elderbridge after noticing a missed payment marker on their credit file for August 2022. They questioned why this was there as they said they'd maintained their monthly payments and they believed Elderbridge had made a mistake when it reported the missed payment.

The contractual monthly payment on Mr and Mrs F's secured loan is due on the first day of each month but Mr and Mrs F pay this via standing order on the 29<sup>th</sup> of each month. This hasn't normally resulted in a late payment marker being recorded as the payment was always made within a calendar month of it being due. Elderbridge explained the missed payment had been recorded because Mr and Mrs F's payment made on 29 July had not been credited to the account until 1 August 2022. It said this was because the payment was sent on a Friday and the next working day was not until the Monday, so when it was processed and applied to the account, it was a month late which triggered the late payment marker.

Our investigator looked at Mr and Mrs F's complaint and thought Elderbridge had acted fairly. Although the payment was sent by Mr and Mrs F on 29 July, it was not credited to the account until the next working day. He thought it was reasonable to expect that a payment may not be applied immediately. And as it couldn't be applied until 1 August, Elderbridge had correctly reported that the payment was late.

Mr and Mrs F disagreed with the outcome. They said it had been demonstrated that the payment had been made by them on time, with it being sent on 29 July. Mr and Mrs F couldn't control when Elderbridge applied their payments, but as they'd sent the payment via a faster payment method, it should have reached the account on time. And regardless of when Elderbridge applied the payment, it had been made on time by them.

Our investigator's opinion remained unchanged and the complaint has been passed to me for 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.

It isn't disputed that Mr and Mrs F sent their monthly payment on 29 July 2022. Elderbridge accept it was sent at this point but feel it has acted fairly when it has recorded the payment as late when it was unable to apply this until the following working day.

In support of their position, Mr and Mrs F have highlighted that they've managed their account in this way for many years and there's been months previously where the payment

has been made on Friday and applied on the same day. So Elderbridge now doing something different with the payment and not processing it on the day it was sent by them is unfair.

I understand the frustration Mr and Mrs F have with the way Elderbridge has recorded this payment and why they'd want it updated to reflect when it was paid. But I don't think Elderbridge has done anything wrong when it didn't apply the payment on the date it was sent by Mr and Mrs F. And I think Elderbridge has correctly recorded the payment as late.

Mr and Mrs F have focused on the late payment marker not being a result of them paying the monthly payment later than they normally would, but because of when Elderbridge processed the payment.

Although a faster payment will generally appear in the recipients account within 2 hours of the payment being made and normally immediately, it must be credited at the very latest, by the end of the following business day. So although previous payments made on the same day credited the account on the same day, it isn't a guarantee this will have happened.

The credit agreement for the loan explains when the monthly payment is due, with this being the first day of each month. Mr and Mrs F have always paid later than this date with their payment being sent towards the end of the month. This has not been recorded previously as a late payment despite being paid after the due date. This is because the payment was made and applied before Elderbridge would report a payment as late, but I don't think it would be fair to say the payment was made on time.

When Mr and Mrs F made their payment at the end of the month, despite it being due on the first, it meant there was little room for manoeuvre before a late payment could be recorded. In this instance, the weekend falling at the end of the month impacted when the payment could be applied. And although sent before the end of the month, it wasn't credited before this point.

The late payment marker is a correct reflection of how the account has been managed as the payment was made late and it was credited to the balance on the account late. I don't think it would be fair to say Elderbridge has made an error when this has happened as it processed the payment as soon as it was able to do so based on when it was sent.

I know Mr and Mrs F will be disappointed that I don't agree Elderbridge should amend their credit file, but I do think this correctly reflects when the payment was made and whether this was made inline with when the credit agreement sets out it was due.

### **My final decision**

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 22 December 2023.

Thomas Brissenden  
**Ombudsman**