

The complaint

Mr T complains that MBNA Limited, his credit card provider, unfairly recorded adverse information on his credit file.

What happened

In August 2023, Mr T attempted to make a payment – from his current account at a third-party bank – to his MBNA credit card. Unfortunately, though, the payment didn't go through. Mr T's bank wrote to notify him of the error, and he realised he'd made a mistake when attempting the transfer.

Mr T contacted MBNA to complain on 1 September. He explained that when attempting to make the payment, he'd mistakenly included his reference number where the account number should have been – and vice versa. Mr T was unhappy that a late payment marker had been recorded on his credit file, and he felt this was a disproportionate response to an honest mistake.

MBNA issued its final response a short while later, on 13 September; it said that it didn't uphold Mr T's complain. While it empathised with Mr T and understood that a genuine mistake had occurred, MBNA said that because it wasn't at fault, and the payment had ultimately been made late, there would be no amendment to Mr T's credit file.

Mr T remained unhappy, so he contacted this Service for an independent review. An Investigator here looked at what had happened; having considered the circumstances, he didn't think MBNA had done something wrong.

In short, the Investigator said there was no dispute that the payment had been late, and the reason it was late was because of Mr T's error. So, while sympathetic to Mr T's situation, and understanding of Mr T's frustration at the matter, the Investigator didn't think MBNA had done something wrong – so, it didn't need to amend his credit file.

Mr T disagreed. He largely reiterated his previous points, but also added that he felt MBNA's actions here were discriminatory toward him because of his age.

As no agreement has been reached, Mr T's complaint has now been passed to me to decide.

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.

First, before I explain my decision, I think it's important to clarify what I've considered here. I say that because I've noted Mr T's credit limit was substantially reduced soon after this missed payment. He did mention this to our Service, but it isn't clear to me whether he has,

or hasn't, complained about that specifically, if indeed he's unhappy about the decision.

I can't see that point was raised with MBNA as a complaint, and it didn't form any part of MBNA's final response letter. Instead, that letter focussed solely on Mr T's credit file and the late payment. So, with that in mind, I've not considered the reduction in Mr T's credit limit here. If he is unhappy about that, he can complain to MBNA about it separately and then look to refer to this Service if he remains unhappy with its response.

That means, to be clear, that I've only considered the late payment and what MBNA reported to Mr T's credit file. And having done so, while I know this will disappoint Mr T, I can't reasonably conclude that MBNA did something wrong.

To explain why, I can surely understand Mr T's view that a late payment marker being recorded on his credit file – after an honest mistake, involving a small amount – seems harsh. And it may well appear that my decision follows a similar path in its strictness. But the fact is it's accepted by all parties that the payment was late, and that Mr T's mistake was the cause.

Lenders are required to record accurate information with Credit Reference Agencies (CRAs); and as frustrated by it as Mr T may be, the late payment marker recorded by MBNA here isn't inaccurate information.

I realise this will be disappointing for Mr T, so he may wish to consider approaching CRAs directly and asking for a statement to be included on his credit file. That statement could provide an explanation for how the adverse information came to be recorded. Overall, though, I can't determine that MBNA was wrong to record what it did.

I've thought about Mr T's point that MBNA has acted in a discriminatory way toward him because of his age. I need to clarify here that this Service is unable to make findings on whether a business has breached the Equality Act 2010. This is because we are an informal, free alternative to the Courts, and only a Court of law can make a legal finding based on the definitions set out within the Act. However, I can consider whether the business has acted in a fair and reasonable manner taking account of the law, among other things.

While I've taken on board what Mr T has said, and appreciate his strength of feeling, I've not seen sufficient evidence or information that demonstrates why he considers he was treated differently due to his age. The evidence we've been provided by both parties doesn't persuade me that there is anything to suggest MBNA acted unfairly or unreasonably – or that it treated Mr T differently to any other customer in the same circumstances. Ultimately, Mr T's payment towards his credit card balance was received late, and the information MBNA is reporting to CRAs reflects this fact.

With all of that in mind, while I can certainly empathise with Mr T for making an honest mistake, I don't uphold the complaint and I don't require MBNA to take any further action.

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 17 June 2024.

Simon Louth

Ombudsman