

The complaint

Miss C complains that Valour Finance Limited, trading as Savvy.co.uk ("Savvy") promised to remove a default from her credit file but didn't.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my 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.

I know it will disappoint Savvy, but I agree with the investigator's opinion. Please let me explain why.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I'll not comment on whether the original loan was mis-sold as that's not the subject of this complaint. I am considering whether Savvy acted fairly and in line with what they told Miss C they would do.

Miss C has provided an email chain in which the removal of the default is discussed. On 22 June 2016 an email from Savvy to Miss C said:

"We agreed that we would remove the Default from your Credit File".

Savvy dispute this email. They say it couldn't have been sent as all emails are copied on their servers and they don't have a copy.

I'm persuaded that it's most likely the email was sent by Savvy. I say that because:

- Savvy accept that an agent of the same name once worked for them;
- the email chain contains detailed information that I don't think someone attempting to forge evidence would include i.e. details of Savvy's management structure and of the credit bureau's normal response times. It also makes reference to the agent's holiday and, as this is checkable, I think it would be unlikely that it would be included in a fabricated email;
- Savvy has provided very limited evidence in support of their assertion the email hasn't originated from them.

So, I'm persuaded that Savvy did tell Miss C that they would remove the default marker. But I think that was a mistake as they hadn't accepted that the loan was mis-sold and were only proposing to mark the account as settled. This wouldn't ordinarily remove a previous default.

Putting things right

So, I don't think Savvy should remove the default, but I do think they should compensate Miss C for the distress and inconvenience she's experienced as a result of them promising to do so. She's had to pursue a claim through them and escalate it to this service when I think the evidence was clearly made out. In the circumstances, I think Savvy should pay her £250 to compensate her for the distress and inconvenience she's experienced.

My final decision

For the reasons I've given above I uphold this complaint and tell Valour Finance Limited to pay Miss C £250 to compensate her for the distress and inconvenience she's experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 25 November 2020.

Phillip McMahon
Ombudsman