

The complaint

Mr Q complains that Creation Consumer Finance Ltd has incorrectly recorded late payment markers on his credit file.

What happened

Mr Q says he took out a Creation loan in 2009. He says in around 2012 he entered an Individual Voluntary Arrangement (IVA) which included his Creation debt. Mr Q says he completed the IVA in 2018 but between 2015 and 2018 Creation recorded late payment markers on his credit file. He says that has affected his ability to obtain a mortgage and says he did make required agreed payments throughout the IVA. Mr Q would like the adverse information removed from his credit file.

Creation has provided limited information about this complaint but accepts it ought to have registered a default on Mr Q's credit file and not recorded late payment markers.

Mr Q brought his complaint to us and our investigator upheld it. The investigator thought Creation should remove the late payment markers and pay Mr Q £200 compensation for the distress and inconvenience he was caused.

Mr Q accepts that view.

Creation says it should be able to amend Mr Q's credit file.

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 overall view that I uphold this complaint despite the very limited information Creation has provided us with.

I'm satisfied that having looked at the documents Mr Q has provided us with that he was in an IVA and his Creation debt was included in that agreement. I can see that Creation accepts that it ought to have registered a default on Mr Q's credit file in 2012 and should not have reported the late payment markers. I make clear that I don't know if a default was registered and would have expected Creation to have known if it did. In those circumstances I'm satisfied that the late payment markers should be removed from Mr Q's credit file which I can see Creation also accepts should take place.

I have no doubt Mr Q was caused distress and inconvenience in dealing with this issue which has gone on for a significant period of time. I also accept that the markers will have had an affect on Mr Q's ability to obtain credit, but it is difficult to be sure about the level of that impact. I agree with the investigator's recommendation of £200 compensation which I think is fair and reasonable and fairly reflects the length of time this has been going on for and the impact on Mr Q.

Putting things right

Creation should pay Mr Q £200 compensation and remove the late payment markers from his credit file.

My final decision

My final decision is that I uphold this complaint and order Creation Consumer Finance Ltd to pay Mr Q £200 compensation and remove the late payment markers from his credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 7 July 2022.

David Singh
Ombudsman