

The complaint

Mrs S complains that Close Brothers Limited reported incorrect information on her credit file.

What happened

In 2017 Mrs S was supplied with a car and entered into a finance agreement with CB. Prior to the end of the agreement Mrs S contacted CB and said she wanted to hand the car back. CB arranged for this but recorded missed payments on Mrs S's credit file. Mrs S complained and CB said it would amend the credit file. But it took several months to do this during which time Mrs S says she was affected by the adverse information. Mrs S seeks compensation.

I issued a provisional decision in which I said that CB had acknowledged that it had made an error by reporting missed payments. I looked at the impact of the adverse information on Mrs S and said that whilst I agreed that her credit score had likely been impacted, I couldn't safely conclude, based on the information provided by Mrs S, that Mrs S had been turned down for further finance and/or a mortgage solely as a result of the information reported by CB. I said it was fair to ask CB to pay further compensation of £200 to Mrs S to reflect the distress and inconvenience caused to her by the error.

I invited both parties to let me have any further information or arguments they wished to raise.

Mrs S responded and said that as a result of the adverse information reported by CB on her credit file she hadn't been able to get another car finance agreement and had had to rent another vehicle which had cost her £500. She said her credit file had been damaged for several months because CB were slow to amend it.

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've taken into account the further comments from Mrs S. Having done so, I haven't changed my mind. I appreciate that Mrs S has been caused distress and inconvenience as a result of CB's error, but as I said before, there isn't enough evidence for me to safely conclude that the sole reason for Mrs S being turned down for car finance was the information reported by CB. So, I won't be awarding any further compensation to cover Mrs S's transport costs.

Putting things right

To put things right Close Brothers Limited must pay further compensation of £200 to Mrs S for the distress and inconvenience caused to her by its error.

My final decision

My final decision is that I uphold the complaint. Close Brothers Limited must take the steps I've set out above.

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

Emma Davy
Ombudsman