

## **The complaint**

Miss J complains that Experian Limited (Experian) failed to remove a county court judgement (CCJ) from her credit file when it should have.

## **What happened**

Miss J had a CCJ recorded against her, as a result of an error made by her motor insurance provider when dealing with a claim on her behalf, in 2018. In 2020 Miss J became aware of the issue when she was declined for a mortgage application. She contacted her insurer and it arranged for the CCJ to be removed.

In late 2020 Miss J became aware the CCJ was still showing on her credit file, her insurer told her it had done what it needed to do for the CCJ to be removed and the issue was now with Experian. Miss J complained to Experian in March 2021. Experian didn't uphold Miss J's complaint – they said they hadn't received any instruction to remove the CCJ from either her insurer or the recording office. But they did remove it when she provided evidence from the latter. Miss J brought her complaint to the Financial Ombudsman Service as she felt Experian had caused her a financial loss by leaving the CCJ on her file when it shouldn't have been there.

Our investigator upheld Miss J's complaint, in summary she said: It had been identified that Experian had been experiencing system issues at the time of the notification to remove the CCJ and so it was likely they had been notified and not acted as they should have – she recommended Experian pay Miss J £250 in compensation for this.

Experian accepted the investigator's findings, but Miss J didn't, she believes the compensation she is entitled to should be much higher. She has said that the delay in removing the CCJ meant that she was left in a worse financial position as property prices rose in that time as did the need for a higher deposit mortgage, meaning she had to save more. As well as this Miss J says it was inconvenient for her as some products that may have been suitable for her before, had since been withdrawn from the market and by the time she was able to progress with her mortgage she couldn't take advantage of them.

The matter 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.

I realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me.

Having read and considered the whole file, I've reached the same outcome as the investigator and for broadly the same reasons. I'll explain, but in doing so I'll keep my

comments to what I think is relevant. If I don't comment on a specific point, it's not because I haven't considered it but because I don't think I need to comment on it in order to reach the right outcome.

There is no dispute that Experian should have removed the CCJ from Miss J's credit file on or shortly after they were asked to in April 2020, so I'm only considering the compensation awarded for Experian's error in not doing so here.

Miss J says she became aware the CCJ was still incorrectly showing on her credit report towards the end of 2020. At that time, she went back to her insurer to query this, and it pointed her towards Experian. Miss J contacted Experian to raise the issue on 29 March 2021 and although they initially said they hadn't received the information to remove it, once Miss J provided them with the relevant letter, they removed it on 1 April 2021.

Miss J has pointed out that in the time between her originally applying and being declined for a mortgage in 2020 (point 1) until her eventual mortgage application acceptance in April 2021 (point 2), the market for mortgages had changed substantially. Including, products no longer being available, the significant rise in house prices and the need for raising a higher deposit.

I accept things will have changed over the period in question, but I can't fairly say that Experian stopped Miss J from being able to progress with a house purchase and mortgage application for the whole of that time period. This is because at the time Miss J was initially turned down for her mortgage application, Experian weren't at fault for the CCJ appearing on her credit file, it was there because of her insurer's error. It became Experian's error in April 2020, when they failed to remove the CCJ from her credit file. But as Miss J says she wasn't aware of the CCJ still showing until the later part of 2020. This leads me to believe that it's more likely than not that Miss J wasn't in the process of applying for a mortgage between those two points in time. I say this because if she had been, she would have been aware that the CCJ was still showing sooner.

I think it's reasonable to say the housing market and the mortgage market like any other market changes on a daily basis, with prices going up or down and products being withdrawn, or new ones being brought out. And given there was a number of months between point one and point two, it's fair to say changes would have taken place across the sector. But I think Miss J's position was always going to be different from when she first applied for a mortgage at point one. I say this because she didn't move forward with a new mortgage application in April 2020, even though she thought things had been put right. She waited until much later in 2020, by which time the markets would have already changed and so it follows I can't fairly say this change in her position was due to Experian.

When Miss J brought the matter to Experian's attention in March 2021, they misinformed her that they hadn't been made aware of the need to remove the CCJ, and this later turned out to be incorrect. In fact, the update had been sent through to them, but they had experienced a system error, and so they hadn't captured the data or made the change. So, although it should have been removed months before, Experian had been unaware of the error until Miss J got in touch. And at that point they did get the update done within four days of it being brought to their attention.

I understand Miss J's strength of feeling about this whole matter and I appreciate that there was some wasted time where Miss J was understandably taking matters up with her insurer as she believed they were at fault. But ultimately, I can only look at Experian's actions here around the mistake and how they put things right. And while they did have a system error which led to the mistake as soon as they were made aware they dealt with it swiftly.

Because of this and the time lapse between the mortgage applications I can't fairly say Experian's error caused Miss J the financial losses she thinks they did. But I do agree that the error caused her inconvenience and upset and so I think Experian should pay Miss J £250 because of this.

### **Putting things right**

Experian should now pay Miss J £250 to compensate her for the inconvenience caused by its error.

### **My final decision**

For the reasons set out above, my final decision is that I uphold Miss J's complaint about Experian Limited and now require it to carry out the actions as set out under the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 20 January 2023.

Amber Mortimer  
**Ombudsman**