

The complaint

Mr R complains that Crediva Limited incorrectly recorded a County Court Judgement (CCJ) on his credit file.

What happened

The background to this complaint and my initial conclusions were set out in a provisional decision. I said:

On 20 February 2023, Mr R contacted Crediva after checking his credit file via a third party business I'll call F. Mr R advised that he'd found someone else's CCJ recorded on his credit file. Mr R explained that he'd never held an account with the business that was reporting the CCJ and that it had been incorrectly applied to his credit file. Mr R complained to Crediva and said the CCJ meant he was unable to obtain a mortgage.

Crediva sent Mr R a final response and said it would investigate the CCJ to confirm whether it should be removed. The CCJ was removed from Mr R's credit file on 21 March 2023. Mr R referred his complaint to this service and it was passed to an investigator. In Mr R's complaint submission he explained that during the period the CCJ was incorrectly recorded on his credit file he'd been unable to obtain a mortgage.

Our investigator upheld Mr R's complaint. The investigator said that whilst Mr R hadn't supplied any evidence to show the CCJ had impacted his ability to secure a mortgage, they accepted it was recorded on his credit file in error and likely to have caused problems. The investigator recommended that Crediva pay Mr R £250 for the trouble and upset caused.

Mr R accepted the investigator's recommendations but Crediva asked to appeal. Crediva said that its records showed no businesses had carried out a credit search for lending purposes in the period the CCJ was incorrectly noted on Mr R's credit file. And Crediva said that the first time Mr R had accessed his Crediva credit file was via a third party business, F, on 14 February 2023. Crediva argued that whilst the CCJ had been recorded in error, no person or organisation had accessed its credit file for Mr R during the period in question so it didn't agree there was an impact due to the mistake.

I recently asked Mr R to supply a copy of his credit file along with anything from a mortgage advisor that showed he'd been declined. Mr R responded and explained mortgage advisors had reviewed his credit file over the phone but hadn't made any direct applications on his behalf. Mr R also said he'd been prevented from applying for a mortgage while the CCJ remained on his credit file and that it took several months to be removed.

I also asked Crediva to supply some additional information. Crediva has forwarded systems information to show the dates Mr R's credit file was accessed and the party that accessed it.

What I've provisionally 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.

All parties agree that Crediva's credit file for Mr R contained a CCJ that related to someone else. Crediva's explained the issue was caused by a mistrace by another business and after it investigated confirmed the CCJ related to a third party – not Mr R.

Mr R first checked his Crediva credit file via F on 14 February 2023. Mr R contacted Crediva about the issue on 20 February 2023 and it's confirmed the CCJ was removed from his credit file on 21 March 2023, around a month later. I agree that the CCJ was recorded in error, but I'm satisfied Crediva needed to carry out some checks to verify what Mr R told it. And I think the time it took to carry out those checks and remove the CCJ is reasonable in the circumstances.

Mr R has explained that he was unable to obtain a mortgage during the period the CCJ was recorded on his credit file with Crediva. But Crediva says that whilst the CCJ was present, no one looked at the credit file it holds for Mr R until he checked it via F on 14 February 2023. I recently asked Crediva to supply systems information to support this point. And its information shows Mr R's credit file was first checked via F on 14 February 2023 as claimed. There's no evidence to show Mr R or any other business or lender checked the Crediva credit file before that date.

I can understand why Mr R feels the CCJ showing on his Crediva credit file could have influenced the information he was given by mortgage advisors. But in this decision I'm only looking at the credit file maintained by Crediva. And as there's no evidence Crediva's credit file was accessed in the period before 14 February 2023, I'm unable to draw a link between the incorrectly reported CCJ and any information Mr R may've been given about obtaining a mortgage.

The investigator asked Crediva to pay Mr R £250, in part to reflect difficulties he experienced in obtaining a mortgage. But I haven't found evidence that shows mortgage discussions Mr R may've had were impacted by the CCJ prior to 14 February 2023. And the CCJ was removed around a month later which resolved the situation. I'm sorry to disappoint Mr R but I haven't found grounds to award £250.

I can see the situation has caused Mr R some distress and inconvenience and understand he felt unable to proceed with attempts to obtain a mortgage while the situation was ongoing and CCJ remained on his credit file. I can also understand that finding someone else's CCJ on Mr R's credit file came as a shock and caused him a reasonable level of concern. So whilst I haven't been persuaded to award £250, I think a settlement of £100 more fairly reflects the trouble and upset caused to Mr R. Unless I see any new information that changes my mind, I intend to uphold Mr R's complaint and tell Crediva to pay him £100.

I invited both parties to respond with any additional comments they wanted to make before I made my final decision. Both Mr R and Crediva confirmed they were willing to proceed in line with the provisional 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.

As both parties have accepted the provisional decision, I'm going to proceed and uphold Mr R's complaint on the same basis.

My final decision

My decision is that I uphold Mr R's complaint and direct Crediva Limited to pay him £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 7 September 2023.

Marco Manente
Ombudsman