

The complaint

Miss C has complained that One Call Insurance Services Limited incorrectly recorded her as having several months of missed payments due under her home insurance policy.

What happened

Miss C took out a home insurance policy through One Call. The following day One Call asked her for information about an incident it had found on a claims database. Miss C provided the information which was referred to the insurer. The insurer said the policy would have to be cancelled as the risk was unacceptable to it. The policy was cancelled on 2 February 2023.

An outstanding balance of £76.36 (including a cancellation fee of £55.99) was due to One Call. A direct debit for payment of the amount due failed. At that point a credit reference agency (CRA) was automatically notified of the outstanding balance.

After Miss C complained in April 2023, One Call agreed to waive the outstanding balance as a goodwill gesture.

In September 2023 Miss C complained to One Call that there were several late payment marks on her credit file which were adversely affecting her credit score. One Call didn't respond. Miss C also contacted the CRA. It told Miss C it had contacted One Call but hadn't received a response, so couldn't update her credit information.

After further chasing by Miss C, on 23 October One Call said it had contacted the CRA to update Miss C's information. The file appears to have been updated on 1 November 2023 as there is a reference to an unsecured loan being paid and closed.

After Miss C brought her complaint to this service, One Call offered her £75 compensation for her incorrect credit record. Our Investigator thought the compensation should be increased to £200.

As One Call didn't respond, the matter has been referred to me.

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 can understand Miss C being upset that her credit record showed her as having missed payments over a period of several months after One Call had agreed to write off the outstanding balance. It's unclear why One Call didn't arrange for her credit file to be updated with the CRA when it wrote off the balance. It shouldn't have been necessary for Miss C to go out of her way to raise a dispute with the CRA in order to get this matter resolved. I'm glad One Call eventually arranged for the file to be updated but it shouldn't have taken it so long to get round to this. If it had acted more quickly, that would have minimised the impact on Miss C.

Miss C says she became aware of this when her application for a new credit card was declined. She also says this issue has been very stressful for her. This is understandable given the circumstances. The lack of response from One Call when she tried to raise this with it would also have been very frustrating. I can see that she sent several emails without receiving a reply. The CRA also said it hadn't heard back from One Call. I think this caused Miss C further unnecessary trouble and upset.

Taking into account the impact on Miss C, I agree with our Investigator that an award of £200 compensation is appropriate in the circumstances for the trouble and upset caused to Miss C and I'm satisfied this is in line with other awards we've made in similar situations.

My final decision

For the reasons set out above, I uphold this complaint and require One Call Insurance Services Limited to pay Miss C £200 compensation for the trouble and upset it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 1 May 2024.

Elizabeth Grant
Ombudsman