

The complaint

Mr S and Mrs P complain that Leeds Building Society has incorrectly recorded their main residence on their credit files.

What happened

In 2009, Mr S and Mrs P took out a self-build mortgage with Leeds. Once the property was built the mortgage has remained with Leeds and Mr S and Mrs P have taken new interest rate products. Mr S and Mrs P said the property was their second home for their retirement. They use it also use it as a “retreat”.

In 2019, Mr S and Mrs P asked Leeds to change the address of the mortgaged property and to change the correspondence address from their home to that of the property.

Mr S and Mrs P complain that Leeds has incorrectly reported that the property is their main residence on their credit files. They said this has resulted in being declined for credit. They said it is inaccurate for Leeds to record the information it had – their mortgaged property was a second home for their retirement but it was not their main residence.

The investigator did not think the complaint should be upheld.

Mr S and Mrs P did not accept what the investigator said. They made a number of points, including:

- A correspondence address was not the same as a main residence.
- Leeds was a financial business and it should not be making assumptions.
- Just because they'd asked Leeds to correspond with him at the property address did not make it their home address and to record that on his credit file. It should make sure the information it records is accurate.
- The instructions they gave were only to use the property as a correspondence address.

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.

Leeds is required to record true and accurate information about Mr S and Mrs P on their credit file. The evidence they have provided shows that Leeds has recorded the mortgage on their credit files. It says the “address on the agreement” is the mortgaged property.

The evidence I have does not support that Leeds has recorded that the mortgaged property was Mr S and Mrs P's main residence. Rather it has recorded they have a mortgage and

that the address on the agreement is the mortgaged property. That is a true and accurate reflection of the mortgage that Mr S and Mrs P hold with Leeds.

The credit reference agency has recorded that the mortgaged property is a “linked address” – it is not recorded as Mr S or Mrs P’s current or main address. The credit report said, *“Linked addresses are all the addresses that you have lived at where you have applied for or taken out a credit agreement or account with a service provider.”*

Mr S and Mrs P have told us they have lived at the mortgaged property even though it is not their main or primary residence – they use it as a second home – and they have a mortgage on that property. So it is accurate for it to be recorded as a linked address.

Leeds has explained that this is a residential mortgage. It does not have the facility to record correspondence addresses – and even if it did it is not clear that would change the information on the credit file or that it would not be reasonable for the mortgaged property to show as a linked address.

I can’t see there has been any error by Leeds or that it has acted unfairly or unreasonably. It acted in line with Mr S and Mrs P’s instructions and the information it has recorded is accurate. Mr S and Mrs P can record a notice of correction on their credit file if they wish to clarify their position to prospective lenders.

It may be that the mortgage is no longer suitable for Mr S and Mrs P. But it was a third party that originally recommended the mortgage to them and Leeds has not given them advice. So I don’t consider Leeds is responsible for that.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S and Mrs P to accept or reject my decision before 1 May 2024.

Ken Rose
Ombudsman