

The complaint

Mr P is unhappy that MotoNovo Finance Limited incorrectly updated the address on his credit file. He says this has impacted him financially.

What happened

Mr P had an agreement with MotoNovo.

In July 2023, Mr P had some problems with his other credit facilities. After investigation he realised that MotoNovo was reporting an incorrect address to the credit reference agencies.

He had previously informed MotoNovo they held the wrong address for him in August 2022. Mr P contacted MotoNovo about what was being reported to the credit reference agencies and in August 2023 they sent him a final response letter explaining that they had updated the records with all of the credit reference agencies. They explained it could take six to eight weeks for Mr P to see the reflection in his credit reports.

They also paid him £100 compensation to say sorry for the mistake they made.

Mr P said he contacted all the organisations linked to his credit file to tell them about what happened which took a significant amount of his time. He also got in touch with a number of credit reference agencies to check what was being reported. Mr P has sent evidence that one credit report wasn't reflecting properly until the end of October 2023.

He also explained that he runs a business and the incorrect address impacted his ability to use his business credit card. He also said his personal credit card credit limits were reduced.

Our investigator considered what Mr P said about the impact this had on him and felt increasing the compensation to £200 in total was a fairer way to resolve the complaint. MotoNovo didn't agree and so the case was passed to me for a decision.

I sent Mr P and MotoNovo my provisional decision on this case, on 4 June 2024. I explained why I think the complaint should be upheld. A copy of my provisional findings is included below:

MotoNovo has accepted that they incorrectly updated Mr P's address and that this would've then been reported to the credit reference agencies. So, I need to consider if the compensation they offered was enough to put things right.

I've seen the account notes from MotoNovo and evidence that they updated the address with the three main credit reference agencies soon after they sent their final response letter.

I've considered that one credit reference agency took a longer time to update but I can't hold MotoNovo responsible for this.

Overall, I'm persuaded that on balance, MotoNovo updated the credit reference agencies with the correct address in August 2023.

I've considered the evidence Mr P has provided about the impact that the incorrect address had on his other credit facilities. I've no doubt that he had problems with them, but from the evidence I've seen I'm not able to say for certain that it was the incorrect address on his credit file which caused the issues he had.

While I'm unable to reasonably conclude that MotoNovo reporting the incorrect address impacted his other credit facilities, I think that the mistake caused Mr P distress and inconvenience. I say this because Mr P has had the trouble and worry of making sure his address was updated correctly. This included having to contact all the credit reference agencies and continually check that it was reflecting properly. I'm also mindful that Mr P first told MotoNovo his address was wrong in July 2022 and the issue was only fully resolved towards the end of 2023

And so, although my reasons differ from the investigator, I think £200 in recognition of the distress and inconvenience Mr P experienced is a fair amount to put things right.

MotoNovo responded to my decision and accepted it. Mr P didn't respond to the 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 MotoNovo accepted my findings, and I didn't receive any further comments from Mr P, I see no reason to depart from the conclusions I reached in my provisional decision.

Putting things right

For these reasons, MotoNovo Finance Limited should pay Mr P £200 in total for the distress and inconvenience he experienced.

My final decision

My final decision is that I uphold this complaint and require MotoNovo Finance Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 22 July 2024.

Ami Bains
Ombudsman