

The complaint

Miss G complains that The Royal Bank of Scotland Plc (“RBS”), with which she had three loans, wrongly reported to the Credit Reference Agencies details about payment arrangements and/or arrears and this affected her credit rating. Miss G also says this affected other credit agreements she wished to take out or to refinance. Miss G said it was going to affect her employment.

Preliminary points

This complaint was raised by Miss G with RBS in August 2023 following resolution of three complaints brought to the Financial Ombudsman Service which were resolved during the summer of 2023.

Since August 2023, RBS has informed us of several other complaints raised and resolved with it. Plus, I know Miss G has brought a further complaint, raised with RBS in October 2024, and referred to us 17 December 2024, which is still under investigation by colleagues at the Financial Ombudsman.

Therefore, I need to explain that the decision for this complaint has been restricted to the complaint Miss G raised with RBS on 22 August 2023, and referred to us December 2023.

What happened

Most if not all the complaints relate to loans Miss G took out with RBS. These will be referred to as Loan 3630, Loan 818 and loan 826. Loans 818 and 826 closed mid-August 2024 following a compensation payment by RBS credited to those two accounts in March 2024 followed by final payments made by Miss G to close them. So, these were still open at the time Miss G complained in August 2023.

Following the conclusion of the three other complaints resolved through the Financial Ombudsman Service in the summer of 2023, Miss G raised a complaint to cover off a few points not dealt with in the earlier complaints. The complaint form originally attached to this complaint with which I am dealing was addressed to a charge card Miss G holds with a different company and did cause some confusion in the initial stages of this complaint.

However, our investigator obtained the original complaint details submitted on-line to RBS on 22 August 2023. Miss G’s complaint points were:

- Further request by Miss G for the loan terms to be extended – and this had been one of the issues covered off in the previous complaints resolved by both provisional decision and final determination by one of my fellow ombudsmen at the service. So, I do not go into any of those details again. Miss G says that this loan extension was not done as she had asked that month – August 2023.
- Miss G alleged that RBS’ failures and submission to the credit reference agencies of false information in 2022 (original ones and what Miss G said were reapplications of false data later in 2022) had impacted a new mortgage offer, a new car finance planned application, impact on a charge card she held with another company, and risk to her job. Miss G also complained that her health had deteriorated.
- Miss G said that facing homelessness and unemployment she was contemplating a drastic action perpetuated from despair and attributed all this to RBS.

Miss G wanted resolution as follows and for the avoidance of misinterpretation I have included her exact words:

'In order to resolve this matter please now, as a matter of urgency:-

1. Implement the agreement previously reached to extend the loan periods so that the current monthly repayments can be continue [sic] to be made until both the outstanding principal balance and arrears accrued have been repaid. I understand this means extending loan account ending 630 by six months and loan accounts ending 818 and 826 by three months.

2. Remove from my credit file the defaults which show as set out above on the basis that an arrangement has been agreed and there has in fact been no default. This must be done immediately.

3. Confirm why this matter has not been handled properly following my telephone call on 9 August 2023 and that appropriate training/disciplinary action will be taken.

4. Provide an offer of compensation which reflects the stress, worry and potentially life-changing financial implications of your continued failure to deal with this matter properly.'

Miss G uses the terms 'defaults' when none had been applied at that point. I think Miss G means to say 'adverse entries'.

Miss G received a final response letter from RBS dated 27 November 2023 which agreed with three elements:

- That a new complaint was not logged for her on 2 August 2023 and hence the reason she did not receive a call back,
- there had been a delay between August 2023 and November 2023 to write to her to try to resolve this complaint,
- and some mis-advice was extended to her by RBS about a delayed payment from her RBS current account to her charge card.

RBS did not accept the other elements of Miss G's complaint. And it reiterated the findings of the Financial Ombudsman Service resolutions for her previous complaints (which had been accepted by Miss G and for which compensation had been paid) and therefore did not consider it needed to do more.

Having said that, RBS went on to try to resolve relations with Miss G by confirming that:

'Forbearance plans were agreed for all 3 loans on the 3rd May 2022 to begin on the 1st of June 2022 and end on the 1st of August 2022. Therefore, arrangement [Arrangement to Pay] data should be reporting from May 2022 to June 2022.

I [RBS representative] can confirm the credit file is reporting as such. In reference to adverse data being reapplied, I believe you are referring after this time because you have failed to address the arrears when you have been instructed to. It was never agreed that your term would be extended.

*On this occasion for all 3 loans acc ** 630 **818 ** 826, I have agreed to remove all adverse data from September 2022 to November 2023. Whilst we have never agreed to extend your loan, I have taken this decision as a good will gesture as I accept you have not been able to address the arrears as you mistakenly believe this was agreed and instructed by the Financial Ombudsman. Please allow 8 to 10 weeks to reflect with credit file agencies.*

Please note, the recording of next month and any future data will be dependent on your actions going forward regarding the loan arrears.

I have also agreed to refund the total arrears interest outstanding as of the date of this letter.

*Loan **630 Arrears Interest refunded £131.59*

*Loan **818 Arrears Interest refunded £7.74*

*Loan **826 Arrears Interest refunded.*

The above has been refunded as of the date of this letter. Please note, any additional arrears interest moving forward you will be liable for until your arrears are cleared.

*To apologise for the issues I agreed with, I have compensated £200 and credited this to your Reward account **757.'*

RBS went on to say that it had also amended Miss G's credit file by removal of 'Q' (Query markers) in the months up to July 2023. And RBS offered to look into any costs or other financial loss if it received detailed evidence from Miss G of that loss where any loss had been directly due to the elements RBS had accepted in that final response letter (FRL) dated 27 November 2023.

One point to note from this FRL is that in subsequent and repeated correspondence from RBS to our investigator during the course of this complaint investigation it referred to the data being removed for the period September 2023 to November 2023. Whereas this FRL clearly states September 2022 to November 2023 – 14 months. I expect that to be checked by RBS.

Miss G was not content and referred the matter to us.

Our investigator issued two views. The first was in April 2024. Our investigator considered that RBS had done enough, and he would not be asking it to do more.

Our investigator had asked Miss G several times for a full copy of her credit file to assist further but had only received either an extract (a few pages instead of the full copy) or screenshots. In that April 2024 view our investigator asked again explaining that screenshots were not clear enough and do not show dates or details. Our investigator also asked to see copy evidence of the impact in relation to the car finance, her employment, and the charge card.

A great deal of information between RBS, our investigator and Miss G was exchanged in the months that followed. Some of it related to the intervening complaints Miss G had raised with RBS and which I am not dealing with here. Some of the information related to alleged adverse credit data on Miss G's credit file from 2024 which was not covered by this complaint.

Our investigator issued his second view in February 2025. He made it clear that the parameters of this complaint were up to the point of issue of the FRL dated 27 November 2023 and nothing beyond that. So, his view had not altered since April 2024. He added that he had not seen any evidence of any deliberate false reporting by RBS and rejected that part of Miss G's complaint. The mistakes RBS had made had been corrected plus it had done more and so our investigator said he would not be asking RBS to take any further action.

Miss G disagreed and so the complaint was 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.

Miss G needs to be reassured that I have read all the details surrounding this complaint, plus I have taken the time to read her four other RBS complaints (old and current) plus the other complaints surrounding other lenders, the charge card, and a car finance complaint.

Miss G needs to know that I am aware of the distress that this has caused her. The current situation is that loans 818 and 826 closed in August 2024. I understand that her last payment to the loan account 3630 was £257 by bank transfer (following cancellation of the Direct Debit set up in the past) on 30 September 2024. So, RBS has now issued a Notice of Default dated 20 October 2024 in relation to the remaining loan ending 3630. I urge Miss G to get definitive advice on her current position with this loan.

Documents

Screenshots of credit files entries are inadequate. The ones we have received from Miss G are undated and are out of context. The two personal credit files forwarded have been partial copies – April 2024 and June 2024. They have been five of 25 pages sent to us. I am unsure why as our investigator has asked for copies of a full credit file on multiple occasions.

But I have not asked Miss G again as I understand she has experienced a lot of distress dealing with this complaint already. And if Miss G chooses not to send us the full copy of her credit file then I can only review the details I have. I have discovered most of what I needed to come to conclusions by reading the other complaint files we have relating to Miss G.

My findings

I took time to go into detail in the 'what happened' part of the decision and so I do not go into them again. And both RBS and Miss G know the details of what has occurred.

Added to which, there have been several intervening complaints by Miss G some of which have precipitated action by RBS to try to put things right where it felt it needed to or it volunteered to. And that has led to credit file entries being amended and altered during the course of this complaint investigation and before.

Overall, I am satisfied that what RBS has said it has done in its FRL dated 27 November 2023 was enough and was adequate to cover off the complaint.

- There was no agreement to extend the loan agreements or to add the arrears onto the loans after the forbearance period and this was investigated, and a final determination was issued about this on the Financial Ombudsman case ending S8W7 case – so I have not investigated that.
- August 2022 – a 30-day hold was done and so I reject Miss G's suggestion it was not.
- The charge card payment on 29 September 2023 – that other card company needs to investigate not RBS as to why the payment did not get there or was delayed. But RBS does accept that it may have given Miss G some mis-advice. What was that mis-advice? It had been that there may have been a delay due to the payment being marked for fraud and it turns out there was no such marker. RBS accept this. But do confirm the payment left her account as directed by her. I do not consider this warrants any compensation over and above what it has already refunded her. RBS has explained its position here.
- Delay dealing with her complaint. Yes, there may have been a delay, but RBS has explained that it relates to the high volume of cases it was dealing with in late 2023. I do not consider any compensation is due over and above what it has already refunded her.

Overall, it was not satisfactory that RBS had done all the issues it has accepted it had done, but it has put things right for Miss G and has compensated her adequately. I do not consider I need to ask it to do more.

Other issues raised by Miss G

Car financing

I am not satisfied that any of the events surrounding Miss G's credit file in relation to the RBS loans has had an impact on any car finance. I say this because Miss G had an existing car finance agreement. I have discovered the details from the other car finance complaint referred to the Financial Ombudsman which I have read to obtain details.

I have seen evidence that Miss G paid the car finance instalments (around £318 a month). Miss G has said to us that she could not afford the balloon payment. Miss G appears to have applied to that finance house for a refinance of the balloon payment which was refused 30 September 2021. Miss G sent to us a screenshot of a letter refusing the refinance but as it was a screenshot the date was not on it. So, Miss G was suggesting to us that the refusal related to the RBS credit file issues. However, the refusal date pre-dated the issues surrounding this complaint and so takes Miss G's link between the RBS credit file issues and her car refinance refusal no further.

I've read on the other complaint file that the agreement came to an end and so the car had to be given back. Miss G has said to us that it was '*repossessed*' but I have seen no evidence of that as Miss G was not in arrears on that finance agreement. I reject this claim that any actions or omissions by RBS led to the refinance being refused and/or the car being '*repossessed*'.

Miss G has referred to a new car finance application being affected by the RBS issues, but no evidence of any kind has been sent to us about that and so I reject this claim.

employment

In relation to Miss G's employment, I have seen no evidence of any kind that any adverse data which may have been added by RBS (now corrected) caused her to lose her job. I understand Miss G remains employed in the same profession and the same firm now as then. So, I reject that suggestion.

mortgage

Miss G has made mention during the course of the investigation into a potential mortgage offer being affected but no evidence of any kind has been sent to us about that. I am aware from the evidence I have received from RBS that Miss G rented her home in 2022 and 2023. And so, I make no findings in relation to a mortgage issue. I mention it here to demonstrate to Miss G that I had been aware of her point.

Health costs

In RBS' FRL dated 27 November 2023, it invited Miss G to send to it details of any costs surrounding her healthcare which may have occurred and she could demonstrate were directly linked to the elements it accepted it got wrong in that FRL. But I've seen no evidence of that being done.

We have received no evidence and while I wish Miss G well in the future I have no evidence to attribute costs of care to RBS. So, I make no direction on that point.

And I acknowledge that being in debt can be very stressful. But I do not attribute the health declines Miss G has described but not evidenced solely to RBS acts or omissions in relation to her credit file for three loans.

My final decision

My final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 16 April 2025.

Rachael Williams

Ombudsman