

The complaint

Mrs O is unhappy that LEASYS UK LTD trading as Leasys incorrectly recorded missed payments on her credit file.

What happened

Mrs O entered into a novation agreement, taking over the obligations of a principal hire agreement, with Leasys.

The agreement came to an end, but in April 2024, Mrs O realised that Leasys were incorrectly recording missed payments on her credit file when applying for a mortgage.

She contacted them and they initially incorrectly told her that they were reporting correctly as there had been missed payments. After querying this further, they said they were wrong and updated the credit reference agencies in October 2024 to put things right.

Mrs O has said it took six weeks for her credit file to update and the payments changed to showing as 'unknown.'

She has explained that while she managed to eventually secure a mortgage, she was rejected from her first application which was at a cheaper rate.

After reviewing the case, an investigator said he believed that Mrs O's credit file was now reflecting the payment history correctly. However, he thought Mrs O should be paid £250 in total for the distress and inconvenience Leasys errors have caused.

Mrs O replied to his view and said that her credit file payments were still showing as 'unknown.' Leasys didn't respond to the investigators findings, so the case has been passed to me to make a final 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.

Leasys has accepted that they incorrectly recorded missed payments on Mrs O's credit file, so I need to consider what amount of compensation should be awarded to her to put things right.

Leasys has sent us evidence that it asked the credit reference agencies to remove the missed payment markers at the beginning of October 2024. The amendment request said the account should show as 'paid in full, no default or adverse markers.'

Mrs O has sent evidence that the payments are showing as 'unknown' with the credit reference agencies, but the screenshots from Leasys suggest that they've requested the agencies to amend the records accurately. Mrs O can contact the credit reference agencies about why the payment's are showing as 'unknown' despite the amendment requests sent to them by Leasys.

I've considered that Mrs O had to wait from April 2024 to October 2024 for Leasys to put things right. I know Mrs O said she had to wait a further six weeks for the update to take affect. It can take some time for the credit reference agencies to update their system once a change is made, so I can't hold Leasys at fault for this six week period.

Regardless, there was still a delay of around six months where Mrs O had to wait for the information on her credit file to be updated. During this time she had the frustration of being told that there were arrears on the account when there wasn't. Mrs O also said she had spent a number of hours chasing the business multiple times during this period, and she kept being given conflicting advice.

I've also noted that Mrs O has said she initially had a mortgage application rejected due to what was recorded. There are a lot of reasons why a mortgage application may be declined, and so I'm unable to say that this was specifically due to the information reported by Leasys. I can appreciate Mrs O's frustrations around this and why she feels that Leasys mistake, and the delay in sorting it, made the situation worse. I also appreciate that applying for a mortgage can be a stressful experience, and Leasys actions would've exasperated these feelings.

Overall, I'm persuaded that Leasy's' mistake of incorrectly recording missed payments on Mrs O's credit file caused her trouble and upset. I say this for the reasons I've outlined above.

And so, for similar reasons to the investigator, I think Leasys should pay Mrs O £250 in total for the distress and inconvenience caused.

My final decision

For the reasons I've explained, I uphold this complaint and require LEASYS UK LTD trading as Leasys to pay £250 in total for distress and inconvenience caused to Mrs O.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 8 September 2025.

Ami Bains
Ombudsman