

The complaint

Mr C complains that Omni Capital Retail Finance Limited ('Omni') recorded inaccurate information on his credit file.

What happened

The background to this complaint is well known to both parties so I'll only summarise it here.

Mr C made a purchase over the phone in January 2025 which he funded via an interest-free loan provided by Omni. In late February 2025, he cancelled both the loan agreement and contract for the goods. He returned the relevant goods to the retailer. Omni was notified by the retailer on 29 April 2025 that it had received the items returned by Mr C. And on 1 May 2025 Omni completed the cancellation and refunded Mr C the loan repayments he made in March and April 2025.

On 20 May 2025, Mr C contacted Omni to say there were two missed payment markers incorrectly recorded on his credit file. Omni investigated this issue and found that it had incorrectly reported the refunded payment as 'late'. So, it arranged for both markers to be removed from Mr C's credit file. Omni offered Mr C £50 for this error.

When the matter came to us, our investigator recommended upholding the complaint and set the award at £200 for the distress and inconvenience caused. Our investigator said because they were unable to say with certainty that the missed payment markers caused Mr C any direct loss, they didn't think it was fair or reasonable to compensate him with more than this. Mr C disagreed. So, the matter has been 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.

I want to start by saying I very much sympathise with Mr C's situation. I know it's been a difficult time for him. Having reviewed everything, I've reached the same outcome as our investigator. I'll explain why.

I appreciate the distress that Mr C must've felt when he noticed the missed payment markers that had been incorrectly recorded on his credit file. And there's no dispute that Omni made a mistake here. The only issue in dispute is the amount of compensation that should be awarded to Mr C for this error. In considering this, I've fully taken account of what Mr C has said the impact is (was). In essence, he says it impacted on his ability to receive a more competitive rate mortgage from a provider (lender). He says he had to accept a mortgage which was 1.5% higher from his current provider but if the missed payment markers weren't on his file he would've received a lower rate via another lender.

Whilst I've taken all of what Mr C has said into account, there isn't sufficient persuasive evidence that the markers did, in fact, cause him any direct loss in terms of losing out on a more competitive rate. I appreciate Mr C didn't have any other missed payment markers on his credit

file. But there are other variables that could've impacted on what rate he did or did not receive or whether any particular provider accepted his application or not. Further, as our investigator has said, Mr C did have time to obtain evidence from Omni to provide to the relevant lender that he hadn't missed the relevant payments. And Mr C says himself, he hasn't been able to obtain evidence from the lender he was seeking to move to saying the missed payment markers impacted on its decision. Overall, I can't fairly or reasonably say, on balance, that Mr C would've received a better interest rate but for the mistake made by Omni.

Nonetheless, I think this issue did cause Mr C distress and inconvenience. He had to arrange for the markers to be removed, and he was applying for a mortgage so it must've been a worry to see the markers incorrectly applied to his credit file which I can see Omni did act quick to remove once it was notified. All in all, whilst I very much sympathise with Mr C's situation, I'm satisfied the £200 recommended by our investigator is a fair and reasonable way to resolve this matter. I appreciate this will come as a disappointment to Mr C.

My final decision

My final decision is that I uphold this complaint and order Omni Capital Retail Finance Limited to pay Mr C £200 in compensation. It is entitled to deduct anything it has already paid to Mr C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 January 2026.

Yolande Mcleod
Ombudsman