

complaint

Miss K complains that The Royal Bank of Scotland Plc supplied incorrect information to credit reference agencies which prevented her getting a better mortgage deal.

background

Miss K got a mortgage with RBS in October 2009. In early 2014, she discovered that RBS had registered a default against her account in 2008 before she had the mortgage. After alerting RBS it took it some time to rectify the registration. RBS offered and paid £430 as compensation. Our adjudicator thought this was fair as she could not say that Miss K suffered any financial loss. Miss K disagreed saying in summary that she suffered serious financial loss.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. RBS says that a series of errors were made in Miss K's credit registration. In 2008 a default was registered although she did not have a mortgage account at that time. Although she cleared her mortgage arrears by January 2013, her records continued to show one payment in arrears until April 2014. When alerted to this problem, RBS eventually removed the default marker but then took a further period to remove the default balance.

RBS has accepted that there were errors and offered compensation of £430. But it says that Miss K did not suffer any financial loss. Our adjudicator agreed with RBS pointing to the fact that Miss K had a poor history of payments on her account including 9 missed payments which would in any event have affected her ability to obtain credit at a reasonable interest rate. Miss K acknowledges that she would have had difficulty obtaining credit at a reasonable rate but this default meant she had difficulty obtaining any credit.

Miss K looked to refinance the mortgage on her property in 2014 and was unsuccessful. This was at the same time as she found out that the incorrect default had been registered. However, because of her poor credit history in any event I cannot safely conclude that the reason for the refusal was the errors made by RBS. I do appreciate that Miss K was left in a state of confusion and some distress by these errors. However, like the adjudicator I believe that the amount paid by RBS reasonably compensates Miss K for that. For these reasons, I cannot fairly uphold this complaint.

my final decision

My decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Miss K to accept or reject my decision before 5 March 2015

Gerard McManus
ombudsman