

#### complaint

Miss K complains that Bank of Ireland (UK) plc (BOI) didn't remove a default on her credit file when she paid her debt off. She'd like it removed. And compensation for stress and inconvenience.

#### our initial conclusions

Our adjudicator didn't uphold the complaint. She didn't feel the bank had acted unfairly. Miss K doesn't agree. She says the default has stopped her applying for a mortgage.

#### my final decision

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. There's no dispute that BOI put a default on Miss K's credit file. I've seen the account details and BOI's notes. These show the account went overdrawn at the beginning of 2012. Miss K didn't respond to letters or phone calls. There was no repayment plan in place. So BOI issued a default notice in June 2012. Then wrote in September 2012 to say it was going to pass the debt to a debt collection agency (dca). It gave Miss K ten days to contact the bank. And gave details of organisations Miss K could contact if she was having financial problems. As Miss K didn't contact the bank it passed the debt to a dca in 2013. And put a default on her credit file. I think the default was an accurate reflection of Miss K's account.

Miss K says she paid the debt off in full. She's given us a letter from the dca to say the debt was cleared after it had been passed on. BOI says it never got notification of this. I don't know why. It has changed the file to show the account as 'satisfied'. But explained that default notices remain on credit files for six years. As the default was correctly applied I don't think I can reasonably ask BOI to change this.

Miss K says this has caused her a lot of stress. And she hasn't been able to apply for a mortgage. She's given us a letter from a broker saying he couldn't find a mortgage due to an unsettled debt on her credit file. But mortgage lenders look at a range of factors when considering loans. Not just credit history. And the debt should now show as satisfied. So I don't think I can reasonably ask BOI to compensate Miss K. **My final decision is that I don't uphold this complaint.**

Under the rules of the Financial Ombudsman Service, I am required to ask Miss K either to accept or reject my decision before 6 June **2016**.

Bridget Makins

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.