

complaint

Mr D complains that Oakbrook Finance Limited has not recorded the state of his loan correctly in its reports to credit reference agencies.

background

In September 2016 Mr D took out a loan with Oakbrook. A few months later he was made redundant and notified Oakbrook that he would be unable to make his monthly payments. He was awaiting some redundancy pay and he explained that he didn't want to damage his credit rating. Oakbrook said it would give him breathing space, but said his credit rating may be affected by his failure to maintain the agreed payments.

He made several more monthly payments and then entered into an arrangement to pay. For a period he paid £1 a month, but as his situation improved this increased to £200. Subsequent payments seem to have fluctuated.

In 2018 Mr D complained to Oakbrook saying that his situation had been wrongly shown on his credit file. He said that even though he was now paying his regular monthly payment his loan was still being shown as having missed payments.

Oakbrook rejected his initial complaint in May 2018 and said it had told him missing payments would have an impact on his credit rating. He made a further complaint that it had supplied the wrong information to the credit reference agencies. It upheld this complaint but said it hadn't done anything wrong. It said that it would contact the agency and ask it to update its records in line with the information Oakbrook had sent. The agency responded to say that it was reporting the situation correctly.

Mr D brought his complaint to this service where it was considered by one of our adjudicators who didn't recommend it be upheld. She sent Mr D a copy of the record of his account held by Oakbrook which was also the information sent to the credit reference agencies. She said she didn't believe Oakbrook had made an error. If he thought any particular agency had misreported this information that would be a matter he would have to take up with it.

Mr D didn't agree and said the months he had paid a reduced amount were reported as in arrears, but not as missed. However, the months he made full payment were reported as missed.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see that Mr D sought to keep Oakbrook informed of his position and he now feels frustrated that his credit file has some adverse entries. However, I don't believe I can uphold his complaint as I consider Oakbrook has provided accurate information to the credit reference agencies.

I have looked the business' notes and I can see that it has worked with him to help when he fell into financial difficulties. It told him on several occasions that his credit rating would be at risk due to his inability to pay the agreed monthly sums. I appreciate he says he wouldn't

have reduced his payments if he had realised the impact it would have. However, I cannot safely conclude that he wasn't told of the possible impact.

I asked Mr D to clarify which payments he felt were incorrectly recorded and he had done so. I have reviewed this against the records kept by Oakbrook. Mr D says his payment of £1 in May 2017 was marked late when it wasn't. Oakbrook's records show that a payment of £1 was taken from his account on 22 May but that bounced on the same day and was only paid on 8 June. This would explain why the £1 payment is shown as late.

Taking another example Mr D says the payment of £1 in August 2017 was made on time and shouldn't be shown as later. However, he entered into a three month arrangement in May to reduce his payments to £1, but that expired in July leaving the full payment due for August. Therefore the sum due of £274.81 was marked as late.

He has commented on more recent items which have happened subsequent to his complaint but I don't have the business records for that period. However, I have no reason to believe it has made any subsequent errors.

Having reviewed the information provided by both parties I am satisfied that Oakbrook has submitted correct information to the credit reference agencies. If he has any concerns about how the agencies reported that information that would be matter for the agencies and not Oakbrook.

On the issue of Oakbrook providing two separate final response letters I can see this has been explained by the adjudicator. Mr D raised two separate complaints about the handling of his loan and this merited two different responses.

my final decision

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 19 July 2019.

Ivor Graham
ombudsman