

complaint

Mr B complains Bank of Scotland PLC has recorded incorrect information on his credit file since 2010.

background

Bank of Scotland has admitted it recorded incorrect information on Mr B's credit file.

The adjudicator was satisfied the error had now been amended as she'd seen screenshots of Bank of Scotland's entries on his credit file. She wasn't satisfied she'd seen evidence Mr B had been rejected by other lenders as a direct result of this information on his credit file. She thought the £750 offered by Bank of Scotland was reasonable.

Mrs B responded for Mr B. She has provided comments from Mr and Mrs B's mortgage adviser. The adviser says that the incorrect information caused a major delay to the mortgage application and had she not pursued this with the new lender the loan would have been considered unaffordable. But when answering whether the incorrect information meant Mr and Mrs B had to make higher mortgage repayments she said 'no'.

Mrs B has also said:

- whilst the incorrect information was on Mr B's credit file they were refused credit;
- even after Bank of Scotland had been told of the error it took it four weeks to correct it; and
- having the incorrect information on Mr B's file has caused them stress.

my findings

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

It is agreed by both parties Bank of Scotland reported incorrect information on Mr B's credit file. Bank of Scotland has said it has corrected that information but the parties can't agree on what is fair compensation.

I appreciate Mr and Mrs B feel very strongly about Bank of Scotland's mistake. I can understand their upset – particularly given the error wasn't corrected immediately. But our awards are designed to put a consumer back into the position he would be in had the error not occurred. They are not designed to punish.

I can make an award for the upset and stress caused to Mr B. Mrs B says the error has caused a lot of mental and health issues. Mr B was made redundant in 2010. Mrs B believes that Bank of Scotland's error had a serious and significant effect on their ability to borrow and this affected their health due to stress. I can understand why in these circumstances Mrs B feels the offer from Bank of Scotland wasn't enough. But Mrs B hasn't provided any evidence that Mr B was declined any credit whilst the error was on his file. And even their own mortgage adviser has said they didn't have to pay a higher rate. So I'm not satisfied I have evidence that Bank of Scotland's error contributed to any stress suffered prior to Mr B becoming aware of the error.

The error came to light whilst they were seeking a mortgage. I can imagine this must have been stressful at the time. I can see they had to make numerous calls to sort the problem out and that Bank of Scotland's response caused considerable upset and frustration. Overall I think the £750 Bank of Scotland has agreed to pay is fair and reasonable for the upset caused.

my final decision

I order Bank of Scotland PLC to pay Mr B £750 as it has offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 February 2016.

Nicola Wood
ombudsman