Financial Ombudsman Service

complaint

Mr A and Miss T have complained about their mortgage account with The Royal Bank of Scotland Plc (RBS). Miss T, who has dealt with the complaint throughout, says RBS told them the mortgage would have a non-reducing (i.e. level) facility but by mistake RBS put in a reducing facility. After they complained about it in 2013, RBS admitted its mistake and paid compensation but wouldn't change it to a level facility. This is now having an impact on their credit reports.

our initial conclusions

Our adjudicator didn't uphold the complaint. He noted the 2013 complaint, but explained that the mortgage had always been on a reducing facility. He was satisfied that RBS was entitled to record information on the credit file about this. RBS had accepted its error in issuing a default notice (later removed) and he thought the £100 offered by RBS was fair compensation for the trouble and upset this had caused. Miss T disagreed and asked for an ombudsman to review the complaint.

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.

The mortgage offer from 2004 shows that this was a reducing facility. RBS regularly updated Mr A and Miss T about how the facility would reduce. RBS has no evidence it told Miss T she could have a level facility in 2012, but acknowledged she might have been told this. In fact this couldn't be done, and so there was no change to the facility. RBS' notes from 2013 persuade me that Miss T knew the facility was reducing and hadn't been changed to a level facility in 2012. I know Miss T's unhappy about the information recorded against her credit file. But RBS is required to record accurate information with credit reference agencies. I'm satisfied Miss T would (or should) have been aware in 2014 when the limit was exceeded that this wasn't because she thought she was on a level facility. Miss T confirmed to RBS in 2013 that she knew it was a reducing facility. I'm glad to see RBS acknowledged its mistake over the default notice. It's removed this and paid £100 compensation. There's nothing further I expect RBS to do.

My decision is that I don't uphold this complaint.

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

ombudsman notes

Under the rules of the Financial Ombudsman Service, I am required to ask [insert anonymised name here] either to accept or reject my decision before **15 February 2016.**

Jan O'Leary

ombudsman at the Financial Ombudsman Service 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.