

## **complaint**

Mrs D complains that Bank of Scotland plc, trading as Halifax, recorded an adverse notice on her credit file and has not removed it now she has repaid the debt.

## **background**

In 2007 and 2008 Mrs D found herself in financial difficulties and failed to keep up with her credit card payments. The bank says it wrote to her on several occasions notifying her that it was defaulting the account and passing it to a debt collection agency. Mrs D says she did not receive these letters. The account was defaulted and an adverse notice registered on Mrs D's credit file in late 2009. Mrs D set up a repayment plan, cleared her debt and in December 2013 her credit file was duly updated.

In 2014 Mrs D was considering taking out a new mortgage and became aware of the note on her credit file. She complained to Halifax which said it had not made an error in its handling of the debt so Mrs D brought her complaint to this service.

The adjudicator did not recommend that the complaint be upheld. He considered that Halifax had sent out the appropriate letters and notices and it had acted correctly in issuing a default notice and transferring the debt to a debt collection agency. He pointed out that the adverse reference on Mrs D's credit file would be removed six years after it was first entered in December 2009 and not, as Mrs D thought, in 2019. Mrs D did not agree and said that she had lost her job as a result of the recession caused by the banks and her treatment by Halifax was unfair.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mrs D says she did not receive the letters and notices issued by the bank. I have reviewed the bank's records and I am satisfied that they were issued. I take Mrs D's point that the bank has not been able to provide a copy of the letters issued to her. However, it is normal practice that Halifax, like other banks, does not retain a copy of every letter issued to a customer. It does keep records of what is issued and generic copies of those letters and I am satisfied that this is sufficient evidence that the letters and notices were sent.

I appreciate that Mrs D says she did not receive any of these, but they were sent to the correct address and if there was failure it is not the fault of the bank. She has now repaid her debt and that has been recorded on her credit file. However, she had missed payments on her credit card some four years ago and it is right that this should be reflected on her credit file. Credit reference files show payments and defaults for six years and so Mrs D's file will contain her default until the end of 2015. I do not consider that to be wrong.

## **my final decision**

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mrs D to accept or reject my decision before 13 January 2015.

Ivor Graham  
**ombudsman**