

The complaint

Mr and Mrs S complain that National Westminster Bank Plc incorrectly recorded on their credit file that they'd missed payment to their mortgage.

What happened

Mr and Mrs S had a mortgage with NatWest that they'd repaid. Mrs S later downloaded the NatWest app. It has a feature where consumers can view information about their credit score. When Mrs S looked at her credit score, it wasn't as good as she expected. It came to light that NatWest had incorrectly recorded on their credit file that Mr and Mrs S had missed a mortgage payment.

When Mr and Mrs S complained, NatWest removed the adverse information from their credit file and paid them £150 for the poor service. Our investigator didn't think NatWest needed to do anything else.

Mr and Mrs S did not accept what the investigator said. They didn't think NatWest's offer was enough. It had caused Mrs S anxiety and worry. The information had been on their credit files for 13 months. The mortgage was their largest financial commitment and they had taken great care to make sure all of the payments were made on time.

What I've decided – and why

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

It isn't in dispute that NatWest incorrectly recorded a missed payment on Mr and Mrs S's credit files. It should have taken a lot more care to make sure it recorded the correct information. What is left for me to decide is what is a fair and reasonable way to put things right.

Mr and Mrs S have told us they did not apply for any credit since their mortgage ended. Businesses would have taken into account the missed payment when considering Mr and Mrs S's application – and they might have charged them more or declined their application because of the information recorded in error. But as they did not apply for anything during the period in question, NatWest's error hasn't meant they've lost out. And I can't see that they've suffered any other financial loss.

I can also award compensation for the distress and inconvenience caused by NatWest's mistake. I can also award compensation for other things, such as damage to reputation. I accept what Mrs S has told us about the impact on her. It caused her anxiety and worry that the information had been on their credit files for so long – particularly when she and Mr S had taken care to make sure all of the payments were made in full and on time. And there would have been some inconvenience in putting things right. But I have to take into account that the problem was sorted out within two days of Mr and Mrs S finding out there was a problem.

It was also not the case that Mr and Mrs S had any ongoing or past applications that might have been affected by the error. And because they'd not applied for credit, it does not appear that anyone would have looked at their credit file.

After looking very carefully at the circumstances and what Mr and Mrs S have told us, I consider NatWest's offer of £150 is fair in all the circumstances. As that amount has already been paid, there is nothing further it needs to do.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 14 March 2024.

Ken Rose
Ombudsman