

The complaint

Mrs B has complained Bank of Scotland plc didn't ensure data about credit cards weren't fully removed from one of the credit agencies in 2021.

What happened

In 2019 Mrs B was a victim of ID fraud. Two cards were taken out in her name under two different Bank of Scotland brands. After referring her complaint to the ombudsman service, Bank of Scotland was instructed to write off the amounts due and ensure these cards were removed from Mrs B's credit record.

In 2023 Mrs B noted that details were still showing on one credit agency set of records. She complained to Bank of Scotland. They agreed to ensure these details were removed and paid her £550 compensation for the trouble caused.

Mrs B felt this compensation was inadequate for the impact this has all had on her over the last few years and brought her complaint to the ombudsman service.

Our investigator reviewed Mrs B's testimony about the financial impact this had on her and asked Bank of Scotland to pay Mrs B a further £200. Bank of Scotland agreed to do this, but Mrs B continued to feel this was insufficient. She didn't feel they'd acted on the original instruction back in 2021.

Mrs B's complaint has been referred to an ombudsman.

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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Firstly, I agree with Mrs B that what has happened to her must have been extremely distressing. Two credit cards were taken out in her name and more than £30,000 was spent. As well as the time and emotional impact of trying to sort that out, her mother was extremely ill and later died.

Our service asked Bank of Scotland back in early 2021 to remove all data from Mrs B's credit records about the two cards which she didn't take out. From Bank of Scotland's own records, I can see an instruction, dated 24 March 2021, from the person dealing with Mrs B's original complaint was issued to ensure that all information was removed from Mrs B's credit records. There's also confirmation from May 2021 that this was successful.

I appreciate data re-occurred on Mrs B's credit records. This shouldn't have happened. Bank of Scotland has been able to detect how this happened and has now ensured this won't happen again. I believe Mrs B's credit records have now been sorted.

Putting things right

There has been a financial impact on Mrs B over the last couple of years. Mrs B believes she's had to pay additional costs for a car loan and been unable to take out lower interest credit cards to enable her to lessen her costs. She's also been unable to take out a new mortgage.

Unfortunately, the last few years has also seen the rise of interest rates for both loans and mortgages. I think it would be difficult to ascertain whether any new rates Mrs B would have been able to achieve would have been materially different to what she did achieve. It's worth noting that two credit reference agencies continued to show the correct data for Mrs B.

I've considered all these aspects, as well as the emotional impact this has had. I believe that, overall, a total of £750 is fair and reasonable compensation for the trouble caused.

I appreciate Mrs B disagrees with this. But I'm satisfied that a further £200 on top of £550 already paid by Bank of Scotland is right.

My final decision

For the reasons given, my final decision is to instruct Bank of Scotland plc to pay Mrs B a further £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 8 April 2024.

Sandra Quinn
Ombudsman