

complaint

Miss E complains that Provident Personal Credit Limited (trading as Satsuma) made a mistake when it applied a default to her credit file.

Miss E was then unhappy with the service that she received from Satsuma when dealing with her complaint.

Miss E wants Satsuma to amend her credit file and pay her compensation.

background

Miss E explains that she's not been able to secure a mortgage because of information that Satsuma has recorded on her credit file.

Before this service became involved, Satsuma agreed to amend Miss E's credit file as the information about the default wasn't showing correctly. Satsuma also deducted £200 from the outstanding balance. However, Miss E's credit file then wasn't amended properly.

The adjudicator recommended that Miss E's complaint be upheld. He asked Satsuma to amend Miss E's credit file and pay her £150. The adjudicator said the compensation payment should be paid directly to Miss E rather than being used to offset the outstanding balance on her account.

Satsuma agreed to the recommendation and Miss E accepted it.

Miss E contacted this service in May 2019 to say that her credit file still hadn't been correctly updated. Miss E said that her loan account had been defaulted on 2 September 2015 but this isn't what's shown on her credit file.

Satsuma wrote to Miss E on 7 August 2019 to explain what will happen going forward. Satsuma says that as there's still a balance due on Miss E's account, it will have to submit a manual amendment to her credit file each month. This means there will be a short period of time during which Miss E's credit file shows incorrect information. But Satsuma says that the amended information will show that the default was applied on 2 September 2015 and that Miss E is in a debt management plan (DMP) to repay the outstanding balance.

Miss E hasn't told us whether she's happy with this outcome so the complaint has come to me for a final decision.

my findings

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 agree with the adjudicator's recommendation that Satsuma should update Miss E's credit file and pay her £150 compensation.

Although I can fully appreciate Miss E's sense of frustration about the length of time that the Satsuma entry on her credit file hasn't been showing correctly, I don't have any evidence to suggest that Satsuma's mistake is the only reason why Miss E hasn't been able to secure a mortgage. Or that the mistake has caused Miss E any other direct financial loss.

I'm satisfied that Satsuma's earlier balance reduction of £200 together with the compensation payment of £150 adequately reflects the impact that the mistake has had on Miss E.

Going forward, Satsuma says that it will make sure the default and DMP markers are applied correctly, although there will be a short period of time each month when this doesn't happen until the manual amendment goes through.

If Miss E notices any problem with the Satsuma entries on her credit file in the future, she should first complain to Satsuma. But if Satsuma doesn't resolve the problem to her satisfaction, Miss E can of course bring a new complaint to this service.

my final decision

My decision is that I uphold Miss E's complaint in the sense that Satsuma has agreed to put things right in line with the adjudicator's recommendation.

In full and final settlement, Provident Personal Credit Limited (trading as Satsuma) should (if it hasn't already done so):

- amend Miss E's credit file so that it shows the default as being applied on 2 September 2015 and that Miss E has been in a debt management plan from the same date; and
- pay Miss E £150

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 22 November 2019.

Gemma Bowen
ombudsman