

## The complaint

Mr M is unhappy with how Bank of Scotland trading as Halifax (Halifax) is displaying information on his credit file.

## What happened

Mr M experienced financial difficulty and entered into a Debt Arrangement Scheme (DAS). Once the DAS was finished Mr M discovered that some of the credit reference agencies (CRAs) were reporting that his debt with Halifax had been settled but one showed it as partially settled and that the debt is being paid as part of a debt management plan rather than was being paid as part of a debt management plan. He thinks Halifax has misunderstood the law and is trying to pressurise him to pay the fees as a condition of marking his account correctly.

When Mr M complained to Halifax it said it shouldn't have continued to apply interest to Mr M's credit card after the DAS was agreed. It also confirmed the Bank reported the status of the account differently with various CRAs. To put this right and for the inconvenience Mr M experienced, it offered him £50 and said it had written off the interest that shouldn't have been charged. It also said that it would report to all CRAs that the account had been fully settled. It didn't, however, agree it had done anything else wrong.

Mr M wants Halifax to remove the debt management marker from his credit file, ensure the fees are not showing as his responsibility on its systems and for Halifax to change the way it deals with any future consumer who is going through a DAS.

The investigator didn't recommend the complaint be upheld. He felt Halifax acted fairly when reporting Mr M's accounts to the CRAs and it wasn't pursuing him for any further costs.

Mr M disagrees. He says in one of its letter Halifax states: *The balances are effectively written off. The bank may choose to keep a record internally of how much was repaid and what was outstanding.* Mr M takes issue with this because he thinks this shows Halifax claims there is something outstanding and the whole purpose of the DAS is that the debts are repaid in full.

He maintains that it is not correct to say that the *debt is being paid as part of a debt management program*. He thinks the use of the word "is" on one of the CRA's report indicates that the debt is not repaid. He thinks Halifax needs to work with the relevant CRA to correct this and that its procedures appear to break the law, and he would like them to be changed.

## 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.

I appreciate Mr M's concern here. But first I must explain that this service isn't a regulator. We look at individual complaints and decide whether a business has or hasn't treated that individual fairly. In this case I've looked at Halifax's final response and I agree with it that it could have handled things better, but I think what it has done and what it offered to do was a fair response, so I won't be upholding this complaint. I've explained why below.

I've looked at the CRA report Mr M provided with the latest date showing as 24 April 2019. This shows the debt as settled which I think is fair. It also has the words that Mr M objects to: *The account is being paid as part of a Debt Management Program*. I understand why Mr M thinks this is wrong and it should say *the account was* rather than *is* being paid as a part of a DMP. But the words appear in a note to explain entries made prior to the debt being settled. The note therefore accurately explains the position at that the time of the note and so isn't wrong. I also don't think anyone used to reading CRA reports would be confused by it.

I've also looked at Halifax's final response letter. Again, I understand Mr M's concern with the words "*The balances are effectively written off. The bank may choose to keep a record internally of how much was repaid and what was outstanding.*"

Halifax, in response to a question from me, has confirmed in writing that the debt has been fully satisfied under a DMP and its records reflect this. It has also confirmed that the £50 it offered to Mr M is still available. In the circumstances, especially given Halifax' confirmation of what it means, I think that Halifax has done what it needs to do and therefore I won't be upholding the complaint. I leave it to Mr M to decide whether he wants the £50 Halifax has offered to him.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 October 2020.

Nicola Wood  
**Ombudsman**