

## **The complaint**

Mr P complains that Loans 2 Go Limited has reported adverse information on his credit file.

## **What happened**

Mr P says he took out a Loans 2 Go loan that he was unable to repay. He says a County Court Judgement (CCJ) was made and a charging order obtained. But says the adverse information is still being recorded on his credit file for some nine years after the event. Mr P says the loan itself is still being recorded as being “delinquent” and would like all of the information removed from his credit file. He says his credit report shows missed payments.

Loans 2 Go says the account is not statute barred as a charging order is held. It says it isn't responsible for the CCJ being reported to the Credit Reference Agencies (CRA's) and says it was obtained in February 2016.

Mr P brought his complaint to us and initially our investigator upheld the complaint and thought the loan account should no longer be reported to the CRA's. Loans 2 Go provided further information and the investigator re-considered his view and thought it hadn't made a mistake by reporting the loan account to the CRA's in these circumstances.

Mr P doesn't accept that view.

## **My provisional decision**

I issued a provisional decision on this complaint and came to the provisional view that it's not fair or reasonable to report adverse information to the CRA's about late payments every month.

I was satisfied, having looked at Loans 2 Go's records, that the CCJ was obtained in February 2016 and so would be reported on Mr P's credit file until February 2022. I appreciated Mr P says the adverse information has been reported for some nine years but I disagreed and could see that the CCJ was no longer being reported. I said that Mr P knows that information remains on a credit file for six years and so I didn't think Loans 2 Go had acted unfairly or made a mistake about that part of the complaint.

There was no dispute here that Loans 2 Go in addition to the CCJ also obtained a charging order. I said there was no need for that information to be reported on Mr P's credit file and no suggestion that it was. I appreciated Loans 2 Go says the Limitation Act doesn't apply and so is entitled to report the account position to the CRA's. But I had to consider what is fair and reasonable in the circumstances of this complaint and that any reported information was accurate.

I was satisfied that Loans to Go obtained a charging order in respect of Mr P's property. And that Mr P didn't dispute that the Limitation Act allows proceedings to be brought outside of the usual six-year period. But Mr P said it is unfair to record the adverse information about his account.

I was satisfied that the original credit agreement had now been terminated and instalments were no longer required. The debt itself has of course not been satisfied but I thought there was no longer a credit agreement. So, I was satisfied that it would be unfair for Loans 2 Go to report late payments every month to the CRA's as the account is no longer in arrears.

My provisional view was that Loans 2 Go is entitled to report to the CRA's that there was an agreement that Mr P did not satisfy but it would be unfair and not accurate to report the account as being in arrears or that there are late payments every month. I said it is clear the debt has not been satisfied and that is what should be reported.

I could see that the investigator initially thought Mr P ought to be paid £75 compensation. I didn't think provisionally that I needed to consider compensation here as Mr P's complaint was about the adverse information.

Both sides have responded to my provisional decision before the deadline for doing so and in those circumstances, I can issue this decision before that deadline.

Mr P accepts my view and Loans 2 Go doesn't wish to make any additional points.

### **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 have come to the same overall view that I reached in my provisional decision and for exactly the same reasons.

### **Putting things right**

Loans 2 Go should amend the information it reports to the CRA's as I have made clear.

### **My final decision**

My final decision is that I uphold this complaint in part and order Loans 2 Go Limited to stop reporting Mr P's account to the Credit Reference Agencies as being in arrears or that there are late payments every month

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 February 2023.

David Singh  
**Ombudsman**