

## **The complaint**

Mr M complains that J D Williams & Company Limited, trading as Jacamo, didn't tell him his direct debit wouldn't be taken on time and that they were unreasonable to report a missed payment to his credit file.

## **What happened**

Mr M's October 2023 statement from Jacamo required a payment to be made by 24 October 2023. He set up a direct debit immediately as the statement suggested it was a simple way to pay and would give him peace of mind that payments were being taken automatically.

Mr M was surprised to find that Jacamo hadn't taken that payment and had reported a missed payment to his credit file and charged him a late payment fee. He complained to Jacamo.

Jacamo explained that the direct debit wouldn't be taken until the next payment, in November, was received and that Mr M should have made a manual payment instead. They agreed, however, to refund the missed payment charge, remove the report they'd made to Mr M's credit file, and to pay him £45 in respect of the poor service he'd received.

Our investigator thought that was fair, but Mr M remained unhappy and he, therefore, asked for a decision by 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.

I know it will disappoint Mr M, but I agree with the investigator's opinion. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I think Jacamo have been reasonable here. The reports they make to the credit reference agencies need to be an accurate reflection of a consumer's activity on an account. While there was perhaps merit in reporting a payment as missed as there is no dispute that one was, I don't think that would be a reasonable reflection of Mr M's activity. He clearly believed a payment would be received on time through the direct debit he'd established. So, I think Jacamo were fair to remove any adverse reports they made. Although I understand that Mr M is concerned that markers may not have been removed, I've not seen any evidence to support that view and the one check I've seen doesn't show any adverse markers.

Jacamo have also been prepared to refund the late payment charge and have compensated Mr M a fair amount for the distress and inconvenience caused. In all the circumstances, I don't think that was unreasonable and I am not asking them to take any further action.

Mr M thinks the information given on his statements was misleading as it didn't explain that a direct debit wouldn't clear the balance of the October 2023 statement. It's for Jacamo to decide the text used on their statements and I'm not persuaded they've provided any misleading comments. They've provided a screenshot of information Mr M will have been given after he set up his direct debit. That explained:

*"If you have recently received a statement and there is an outstanding payment due on your account this will need to be paid manually. Your direct debit will take effect from your next statement."*

So, even if there was some confusion in the statement (and I make no finding to that effect) I think the need for a manual payment should have been clear.

### **My final decision**

For the reasons I've given above, I don't 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 9 September 2024.

Phillip McMahon  
**Ombudsman**