

## **The complaint**

Mr E complains about how Admiral Financial Services Limited are reporting to the Credit Reference Agencies (CRAs) in relation to a loan account he has with it.

## **What happened**

Mr E took out a loan with Admiral in May 2018. He borrowed a principal sum of £8,000 and he was due to make monthly repayments of £233.26, for 36 months.

Mr E got into difficulties repaying his creditors and so he entered a Debt Management Plan (DMP). As part of the DMP, Admiral agreed to accept reduced monthly repayments from Mr E of £92.39.

Mr E made the reduced repayments each month, however he noticed that the CRAs were recording that he had missed payments. Mr E felt Admiral was wrong to have recorded the reduced payments as having been missed, and this was having a big impact on his credit file and affecting his ability to obtain credit elsewhere.

Admiral didn't uphold Mr E's complaint. It said it had recorded that Mr E was in arrears on his loan account and paying through a DMP between November 2019 and March 2024. It said that this reporting is correct. And it had no control over how the CRAs decide to display this information on his credit file.

An Investigator considered what both parties had said, but they didn't think Mr E's complaint should be upheld as they felt Admiral was reporting correctly.

Mr E didn't agree. He said he wanted the entries removed as it wasn't explained to him at the time he entered the DMP that his credit file could be negatively impacted.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

## **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 considered all of the available evidence, I've decided not to uphold Mr E's complaint. I appreciate this decision will come as a disappointment to him, however I have explained my reasons for this below.

When coming to my decision, I have taken into account relevant guidance. In this case, the guidance I have considered is the ICO (Information Commissioner's Office) guidance (see ICO publication 'Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies' (Version 2a Published July 2016 (updated to refer to GDPR and DPA 2018)). This provides guidance on how accounts in payment arrangements and in arrears should be reported to the CRAs.

There's a section in the guidance called "*Debt Management Programme*". And this states:

*"A debt management programme (DMP) is when a third party debt adviser negotiates a repayment schedule for all or a number of a consumer's credit agreements. If the plan is accepted by the lender, the record filed at the credit reference agencies must reflect that the consumer is on a DMP. For such accounts arrears may continue to be calculated in accordance with the contracted terms, but the account marked as under a DMP".*

Prior to Mr E making repayments via his DMP, he missed four of his contractual monthly repayments. So, his account was four months in arrears at the point he entered the DMP in November 2019. Given that Mr E's account was in arrears, I don't think it was unfair or unreasonable of Admiral to have reported these arrears, and it has reported this in line with the guidance I've referred to above. I should add here that because Mr E didn't clear the arrears, they will continue to be reported on his credit file each month until such a time that they have been cleared. In addition to this, because Mr E is making less than the contractual amount due, arrears have continued to build up and have continued to be reported. I've looked at the information Admiral is reporting to the CRAs, and I'm satisfied that it is accurate and in-line with the guidance I've mentioned.

I note Mr E has referred to Admiral reporting missed payments. But I don't think this is likely to be the case. The information I've seen from Admiral's internal systems on what it is reporting doesn't suggest it is recording payments as being missed. It is recording the account as having been in arrears, which is correct. Some CRAs might display the monthly continuation of the account's arrears as missed payments. How a CRA chooses to display this information is up to that particular CRA, and Admiral don't have any control over this. So I can't hold it responsible for how a CRA chooses to display information on a credit report.

In the guidance I've set out above, it states that the account should be marked as under a DMP. I can see from the information Admiral has provided, it has recorded the account as having a 'special indicator' and the letter 'M' recorded under this. I have checked guidance issued by the ICO on how firms should report information to the CRAs. The guidance says that an account subject to a DMP, should be recorded with a letter 'M'. So again, I'm satisfied that Admiral has recorded this correctly.

I'm sorry to have read Mr E's comments about the negative impact the reporting has had on his credit file. But I can only uphold this complaint if I think Admiral has done something wrong. Here, because I'm satisfied that Admiral is reporting information correctly, I won't be asking it to do anything to remove this information from reporting, as he's requested.

I can also see that Mr E is unhappy that he wasn't told that entering the DMP would negatively impact his credit file. Because Mr E entered the DMP through a separate firm, I can't hold Admiral responsible for not letting Mr E know how a DMP could impact his credit file.

Overall, I can't find that Admiral has acted unfairly or unreasonably.

### **My final decision**

For the reasons set out above, I don't uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 9 July 2025.

Sophie Wilkinson  
**Ombudsman**