

## **The complaint**

Mr H complains Lowell Portfolio I Ltd are incorrectly recording a default against his credit report.

## **What happened**

Mr H had an account with a company I'll refer to as V. They defaulted the account on 30 September 2019. Mr H says when his account was sold to Lowell, they reported a second default and having spoken to the Information Commissioner's Office this is clearly incorrect – as only one default should be reported for each account.

Lowell said they'd checked V's entry, which showed they'd sold the debt. Lowell said it was correct V's entry and their entry would remain – as long as it was clear the default related to the same account. Lowell felt it did, because they were reporting the same details as V had originally. So, overall, didn't uphold Mr H's complaint.

Unhappy with this, Mr H asked us to look into things, saying duplicate defaults was unfair and the issue needed to be resolved.

One of our Investigators considered things, and didn't think Lowell had done anything wrong.

Mr H didn't accept this – saying he only had one default with V, and rather than renaming the default into Lowell's name, they'd created it as a new account – and this is the issue he's complaining about. Mr H said he's checked with other parties who have said this doesn't look right, and he's said his report shows two accounts in default which isn't correct.

Because Mr H didn't accept our Investigator's outcome the complaint's been passed to me to decide.

## **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 think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

I can see from Mr H's messages his understanding is there should only ever be one entry on his credit report for this account. For reasons I'll go on to explain, that understanding isn't quite right – and it is common for two entries to appear on someone's credit report for the same account when it's been sold.

As a starting point, Lowell can't 'rename' the existing default entry from V as far as I'm aware. The reason for this is because that would create incorrect information on Mr H's

credit report – V were the party who defaulted Mr H. So, it's not wrong that an entry from V shows as the original party who defaulted the account.

When Lowell take over the reporting – they don't take over the exact same entry V were recording. I can see Mr H has taken some guidance from the ICO and the financial regulator the Financial Conduct Authority (FCA) and he's said Lowell takes over the reporting of the default. But, to be clear, taking over the reporting means creating a new entry as a follow on from V's entry – not taking over V's entry so it doesn't show anymore.

The ICO explains on 'For the public – Credit' page under the Frequently Asked Questions:

***One of my defaulted accounts has been sold on to a debt collection company. This debt is now appearing twice on my credit file. Is this right?***

*If it is clear from looking at the two entries that they relate to the same account, with the same default date and balances and the original debt is clearly showing as settled then it is likely that we would consider this to be fair in terms of the data protection law. However, if the entries are recorded on your credit file in a way that may look like they are two different debts, or that could make the debt remain on your credit file for longer than six years from the date of the original default it is unlikely that we would consider this to be fair.*

With this in mind, and because it's ok for entries from V and then a separate entry from Lowell, I need to check Lowell are reporting it in line with the ICO's guidance above.

Mr H himself has said it's very clear the default entry from Lowell relates to the same account as V. I agree – the date of the default and amount of it both match – and the entry from V shows their debt is settled. The reason their debt is showing as settled is because they sold the account to Lowell. I think it's very clear the entry relates to the same account – so, I don't think Lowell have done anything wrong.

Taking everything into account, I'm satisfied Lowell have fairly created a separate entry for the account, but the details of it are clear it relates to the same account V were reporting. So, overall, I don't think they've done anything wrong.

### **My final decision**

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 December 2025.

Jon Pearce

**Ombudsman**