

The complaint

Mr B complains about reporting to his credit file made by JAJA FINANCE LTD ('JF').

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

Mr B took out a credit card with JF in 2020. JF defaulted the account in December 2022. In July 2024 Mr B entered a 12-month Debt Relief Order ('DRO').

Mr B says that JF incorrectly reported information about the account to his credit file since it has been subject to the DRO. For example, he says it was reported as 'active/outstanding' during the 12-month period of the DRO. The account balance was not updated to £0 when the DRO was completed or marked as satisfied. And the default date on the account does not correctly align with the DRO start date.

Mr B says JF's actions have impacted his wellbeing and negatively impacted his financial standing – causing him to have applications for credit declined.

Mr B complained to JF and it responded in a Final Response Letter dated 25 July 2025. It said that due to a system issue it incorrectly reported missed payments to the account during the period of the DRO. It paid Mr B £200 for this. Which was in addition to £50 it paid him when he had previously complained about the issue.

Our investigator looked into the complaint. She couldn't see where JF were currently reporting inaccurate information. However, in the circumstances she thought the £200 compensation it had paid was fair and reasonable.

Mr B disagreed. In summary, he said the compensation received to date was insufficient in the circumstances. He asked for an ombudsman to look at things for a final decision and consider appropriate compensation '*for the prolonged and repeated harm*' caused by JF.

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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time. This includes guidance from the Information Commissioner's Office ('ICO') in respect of the principles for the reporting of arrears, arrangements and defaults at credit reference agencies.

I note that in responding to Mr B's complaint JF had addressed a point he made about soft searches on his credit file. JF confirmed that this would not have a material impact on Mr B's credit file in any event. And I don't see anything to suggest otherwise. Furthermore, Mr B has not focused on this point in progressing his complaint to me. Overall, I am not going to cover this in detail, and I don't see cause to direct JF to do anything in this respect here.

On the face of it was JF's reporting reasonable?

The ICO explains the recording of a default is reflective of the relationship between the lender and the borrower having to some extent broken down and might occur when the borrower falls into arrears. The ICO also says that information on credit files should be accurate (in essence this should fairly reflect the account status at the time).

Information about the default date

From the information I have seen there appears to be no dispute that Mr B's credit card account defaulted in December 2022 and that it became subject to a DRO in July 2024. The information I have seen from Mr B's credit file reflects this. I know Mr B says JF should have 'backdated' the default date to match the start date of the DRO – but as the default had occurred years prior there was no need to do this. Furthermore, Mr B's relationship with the lender had broken down many years before the DRO so I don't think JF was required to reflect otherwise, it would be inaccurate and showing a more recent default would likely be more detrimental for Mr B.

Marking the account after the DRO completed

From what I can see from the credit file information I have seen for Mr B once the DRO completed in July 2025 it was marked as showing a £0 balance – which is accurate. I accept it still shows the 'default balance' but that doesn't show that Mr B still owes DF this or that the debt is active – it is only a historical record of what Mr B owed JF because of the default.

Furthermore, Mr B is unhappy the account has been marked as 'partially settled' and says this indicates he still owes JF money. However, this is not the case, all it shows is that the account was settled for less than the amount Mr B owed JF. It doesn't mean Mr B still owes money to JF in respect of the account and is not inaccurate reporting.

Information about payment status during the DRO

I accept JF has admitted to making mistakes in reporting 'missed payments' to Mr B's account during the time of the DRO. I am not persuaded it was marking payments as missed though. From what I can see payments were being marked as 'D' (a default status) which is an accurate reflection of the account status – as until the DRO completes the default is not satisfied. When the DRO completed in July 2025 the 'D' status appears to have stopped and been marked as satisfied – which is accurate.

So, on the face of it – I don't see where JF has reported inaccurate information during the period of the DRO or otherwise. And I don't have a copy of the DRO (neither party has been able to provide it) to persuade me that JF's actions went against its specific requirements here.

For completeness, I can see JF's system notes indicate that it added the DRO status of the account later than when the DRO started (around January 2025). However, it seems JF found out about this because Mr B informed it around that time – I can't see information that

persuasively shows JF was notified about the DRO previously and failed to record it. Although I accept that is of course a possibility. Furthermore, I also note the fact that JF in its response to Mr B's complaint has said it made mistakes in its credit reporting during the period of the DRO. However, it is important to note that even if I accepted that JF had made errors in reporting missed payment markers or the start of the DRO my decision would not alter here in any event. I will explain why.

I consider this reporting is unlikely to have had any material impact on Mr B's creditworthiness. I say this noting the account in question was already subject to significant adverse credit reporting (it had already been defaulted). Furthermore, it is clear from elsewhere on Mr B's credit file that he was subject to a DRO and other adverse credit markers. I consider it unlikely that missed payment markers – or marking the start date of the DRO on the account later on would have shown the account in question represented a materially increased risk. And Mr B has not been able to provide information from refused credit applications to show otherwise. So even if I were to agree that JF had erroneously reported – I am not persuaded it represents an actual financial loss to Mr B in any event.

I accept that regardless of whether JF had correctly or incorrectly reported during the period of the DRO it would still be frustrating and upsetting for Mr B to hear JF confirming it had made a mistake, and promised to alter information but not carried this out. JF doesn't dispute this is what happened. It created uncertainty and added distress for Mr B over several months. But in any event, I consider the £200 compensation JF paid in connection with this complaint (and noting the previous £50 received) is fair in the circumstances here. I say this after considering the guidance on our website regarding the type of awards we would make in circumstances like this.

In summary, I am not persuaded JF's reporting in respect of the DRO was inaccurate – but I consider it has paid Mr B sufficient compensation in any event (noting that there is no persuasive evidence of a financial loss here).

I know Mr B feels strongly about the issue. I remind him that my role is informal and he is free to consider more formal dispute routes such as court. That is for Mr B to decide and potentially take advice on as he sees fit.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 March 2026.

Mark Lancod
Ombudsman