

## **complaint**

Mr B complains about Bank of Scotland plc, trading as Halifax ("Halifax") regarding entries which appear on his credit report. He wants Halifax to remove an entry dated July 2017 from his credit report.

## **background**

Until 2013 Mr B held a current account and credit card with Halifax.

In mid 2013, Mr B had an outstanding overdraft and credit card balance as well as other debts elsewhere. Mr B's debts became unmanageable and he entered into a debt management plan.

Halifax registered defaults against Mr B for both the credit card account and the current account overdraft, in August 2013.

Since then, Mr B has made regular payments to both accounts as part of his debt management plan.

In February 2017, Halifax sold Mr B's current account debt to a third party, which I will call C. C began reporting the default against Mr B from Autumn 2017.

In June 2017, Halifax sold Mr B's credit card debt to another third party, which I will call H.

Halifax updated Mr B's credit report for the credit card account in July 2017, to show an outstanding balance owed to them of £0, and that the debt had been assigned to the third party. Halifax has not reported on this debt since then.

Mr B obtained his credit report in March 2018 and saw that there appeared to be defaults showing against him by both Halifax and C.

He complained to Halifax that it appeared the default had been duplicated and asked that the latest default be removed from his credit report.

Halifax wrote to him in April 2018, advising that they no longer reported on his accounts as the responsibility for this had passed to the debt purchaser, H. It said that the credit report was last updated by Halifax in July 2017 and was accurate.

Mr B was not satisfied with this response and contacted us.

One of our investigators has looked into this matter and set out her view to the parties. She did not consider that Halifax had done anything wrong and did not recommend asking Halifax to do anything further.

Mr B was not happy with this view and asked for an ombudsman to look at his complaint.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Firstly, I understand Mr B's concerns about his credit report and appreciate that he feels that his credit status has been damaged further by the change in reporting. I appreciate that if the same debt appeared duplicated and renewed in his credit report, this would be unfair to Mr B.

I can see why it looked to Mr B as though a default was added by C in September 2017, and that this was in addition to the default reported by Halifax up until July 2017.

This is not the case, however, and the March 2018 copy of the report shows that the default reported by Halifax between August 2013 and July 2017 (the credit card debt) is no longer outstanding to Halifax and has been sold.

The information added by C relates to the current account debt and replaces a previous entry by Halifax.

It does not appear (on the March 2018 copy of the report) that the purchaser of the credit card debt had updated Mr B's credit report to show the position of that debt after July 2017.

Defaults remain visible on a credit report for 6 years from the date of entry. As the credit card debt has been sold the default may appear on the report under both Halifax and the purchaser, up until 2019, so long as it is clear that the debt transferred to the purchaser.

Halifax has a duty to provide accurate information to credit reference agencies and I am satisfied that it has done so.

I am also satisfied that on a thorough reading of the report there is no 'new' default, and so I do not ask that any entry be removed.

Whilst I appreciate that this will be disappointing for Mr B, I do not see evidence of any error from Halifax and so do not ask it to do anything further.

### **my final decision**

For the reasons set out above I do not uphold Mr B's complaint and do not ask Bank of Scotland plc to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 November 2018.

**Laura Garvin-Smith**  
ombudsman