

complaint

Mr B complains about Cabot Credit Management Group Limited ("Cabot") regarding entries which appear on his credit report. He wants Cabot to remove an entry dated March 2018 from his credit report.

background

Until 2013 Mr B held a current account and credit card with a business which I will call H.

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.

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

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

In February 2017, H sold Mr B's current account debt to Cabot. Cabot began reporting a default against Mr B from autumn 2017.

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

He complained to Cabot that it appeared the default had been duplicated and asked that the 'default' reported in March 2018 be removed from his credit report.

Cabot wrote to Mr B in April 2018, advising that the information provided to the credit reference agencies was not new information but a continuation of the information previously reported by H. Cabot set out that the default on Mr B's current account would only be reported for six years from the original default date.

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 Cabot had done anything wrong as the information it provided to credit reference agencies was accurate and up to date.

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 was duplicated in his credit report this would be unfair to Mr B.

Our investigator has been in touch with H who confirmed that it reported a default for the current account debt from August 2013 onwards.

I have reviewed the March 2018 copy of Mr B's credit report and am satisfied that the entry by H, relating to the current account debt, no longer appears.

I accept that the entry of information from Cabot, which shows a reducing debt over the previous 7 months, is not a new default, but is a replacement for the entry previously reported by H.

Defaults remain visible on a credit report for 6 years from the date of entry. Cabot has confirmed that it will not report the entry beyond 6 years from the original default. Cabot has a duty to provide accurate information to credit reference agencies and I am satisfied that it has done so and that it has acted fairly.

Whilst I appreciate that this will be disappointing for Mr B, I do not see evidence of any error from Cabot 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 Cabot Credit Management Group Limited 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 22 November 2018.

Laura Garvin-Smith
ombudsman