

## **complaint**

Ms K complains that MBNA Limited has reported a default on her credit card in 2012 incorrectly. She also says it failed to update her address details.

## **background**

Ms K had a credit card with MBNA. She found herself in financial difficulties in early 2012 and made no further payments on the card after January 2012. MBNA registered the default in June 2012. The debt was sold to a third party in September 2012.

Ms K complained to MBNA about the default in 2016 when she realised it was appearing twice on her credit reports. She said she never received a default notice and had told them about a change of address in 2011 but MBNA hadn't registered the change. MBNA rejected her complaint so she came to this service. Our investigator didn't think MBNA had made a mistake registering the default but he initially thought the default shouldn't appear for both MBNA and the third party who bought the debt. On reviewing the evidence, however, he thought the record of default was correct because it was clearly for the same debt. As the evidence about the change of address was inconclusive, he didn't find MBNA had done anything wrong. Ms K wasn't happy with this outcome and asked for review by an ombudsman.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Based on what I've seen, I don't think this complaint should be upheld and I'll explain why.

### *change of address and default notice*

Ms K says she called MBNA to change her address in 2011 but they have no record of the change. I don't question what Ms K says and it's possible she called and the change wasn't noted down at the time. Ms K's said she didn't notice the address change wasn't made because she was going through a very difficult time and I don't doubt that. But she continued to contact MBNA up until late January 2012 when she told them about her problems paying off the debt just before she stopped making payments. MBNA also had an email address for her on the system and it has given evidence of emails sent out in February, March and April of 2012 about the arrears. So even if Ms K didn't receive the default notice by post, I think it's likely, on the balance of probabilities that she knew about the default and the outstanding debt. Therefore I don't think it's likely that Ms K would've acted differently if she'd received the default notice by post.

### *double reporting*

Ms K says it's unfair that the default appears twice on her credit report – once from MBNA and once from the third party that now owns the debt. According to the guidance from the Information Commissioner's Office (ICO), it's acceptable to record a default twice in these circumstances as long as it's clear it refers to the same debt.

I've looked at the credit reports and it seems MBNA last updated the reporting in late 2012 when the debt was sold and it is marked as settled. It's clear from the evidence I've seen that the two records refer to the same debt. So I don't think it's made a mistake.

I understand it's very distressing for Ms K to have this period of past financial difficulty hanging over her. But MBNA is required to report accurately to credit reference agencies and I think it's done so.

**my final decision**

For the reasons given above, it's my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 10 July 2017.

Susie Alegre  
**ombudsman**