

## **complaint**

Mr R complains that Idem Capital Securities Limited has placed incorrect markers on his credit file and should have defaulted the account.

## **background**

Mr R explains that he fell into financial difficulties in 2010 and made a payment arrangement through a debt management company with his original loan provider. The debt was sold to Idem Securities in September 2011 and Mr R continued to make the agreed payments. Mr R explains that this used to be shown on his credit file as "AP" showing the arrangement to pay. In September 2013 Idem changed the recording to show the account as "6" which is the maximum arrears figure together with a debt management flag. Mr R says that this is stopping him getting a mortgage and he would be better off if the account had been defaulted like his other debts were in 2010.

Our adjudicator didn't recommend that the complaint should be upheld. He thought that it wasn't Idem's fault that the credit reference agencies asked for the account to be reported in a different way and the information that was recorded were correct. He thought that it was reasonable for the default not to have been applied for in 2010 because Mr R was making repayments and reducing his debt. Mr R didn't agree and said that he was worse off having taken steps to deal with his financial difficulties than he would have been if he had taken no responsibility which isn't fair.

## **my findings**

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

Mr R has said that the account should have been placed in default in 2010 after he missed 6 consecutive repayments and this was in line with industry guidance and consistent with the actions of his other creditors. Looking at the account I can see that the last full payment was made to the account on 22 March 2010 and then reduced payments began on the 17 August 2010. I think that it was reasonable for the account not to be defaulted in these circumstances because although there was a break in repayments Mr R made regular reduced payments on time once they were dropped to an affordable level. I can understand why Mr R feels that the account should have been defaulted but I can't agree that it was unreasonable to allow Mr R some breathing space and a chance to come to an arrangement. I can't comment on what his other creditors may have chosen to do but I don't think it was wrong not to default this account in 2010.

I can appreciate why Mr R is upset about the change in the reporting on his credit file. The credit reference agency has confirmed that it required Idem to change the way it reported Mr R's account and Idem changed the reporting because of this. The recording is correct and in line with what the credit reference agency has asked for. Idem were not to know that this would happen some years after the arrangement was agreed with Mr R. I sympathise with Mr R and I can understand why he is upset and he feels he is worse off than someone who has not taken responsibility for their debt. But I can't say that the information that's reported is wrong and so I can't ask Idem to change or remove it. I understand that Mr R says that he can't get a mortgage because of this marker on his credit file but I don't think that this is Idem's fault.

**my final decision**

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 17 September 2015.

Emma Boothroyd  
**ombudsman**