

The complaint

Miss H complains that she has a debt outstanding for catalogue shopping with JD Williams and Company Ltd (JDW). She says this debt was cleared in 2014 so the outstanding amount, interest and charges are unfair.

What happened

Miss H had a catalogue shopping account with JDW. In 2014, she made some purchases. The amount she owed JDW for these purchases is disputed. Miss H says she returned two of the items, and she says the outstanding balance was cleared by her late step-father at the end of 2014. JDW says only one item was returned, and no payment to clear the account was made.

The debt was sold by JDW at the end of 2015 as it says the balance had not been cleared.

Miss H complained to JDW. She said the debt had been cleared by her late step-father, so she didn't owe it anything. So, it was unfair as she now owed more due to charges and interest. She wanted JDW to clear the debt.

JDW said the charges and interest were applied correctly to her account as a result of non-payment. It did note that it had refunded Miss H some administration charges in 2015 as a gesture of goodwill. It said it was entitled to sell the debt and had done so correctly.

Miss H did not agree so complained to our service.

Having seen the records of transactions for the account, the investigator thought that JDW was probably correct that the debt was still owed by Miss H. And she thought that JDW had treated Miss H fairly when it added charges and interest to the account, and that it had been entitled to sell the debt to a third party.

Miss H did not agree. And she couldn't prove the debt had been cleared as all her step-father's credit card statements had been disposed of.

So, the complaint has been passed to me for a decision.

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.

Where there is conflicting information available, or indeed a lack of definitive evidence because of the passage of time, I need to decide what I think is most likely to have happened on the balance of probabilities.

My decision is the same as the investigator's view, for broadly the same reasons. I'll explain why.

Miss H had a shopping account with JDW. She made a purchase of some clothing in 2014. I can see this from the records of her account held by JDW. Miss H disputes what she bought, and says she returned more than what JDW say she did. And Miss H says her late step-father paid off the outstanding balance at the end of 2014.

Given the passage of time there is limited evidence available to support either position. Miss H can't prove what she bought or returned, and can't get any credit card statements to show the payment her step-father made, as they have been disposed of. And JDW can't get Miss H's account statements either. However, what JDW has given, is records of the activity on Miss H's account over 2014 and 2015, which show records of purchases and when payments were made, along with the dates it sent letters to her and when it applied charges. Importantly, these records do not show any payment being made at the end of 2014, and there is no record of the account being cleared.

I understand Miss H disputes these records, and I acknowledge that sometimes errors can be made when inputting data. However, memories can also sometimes be wrong, especially from so long ago. I'm not in any way calling into question Miss H's truthfulness, but from what JDW has shown, and without any evidence to back up her memory of what happened, I think she may be mistaken. On balance, I think the record of activity on Miss H's account, held by JDW, is more persuasive.

So, I think it is more likely than not the debt was correctly recorded and was outstanding at the end of 2014. And it follows, I think JDW was probably fair in applying charges and interest to the outstanding debt in line with the terms and conditions of the account.

JDW then sold on the debt to a third party. The investigator has detailed that it was also entitled to do this under the account terms and conditions. Having looked at them, I agree it was. But I need to decide if it was fair in doing so.

Miss H says she didn't know about the debt, and wasn't written to by JDW about it. Again, given the passage of time, JDW wasn't able to provide me actual copies of the letters it says it sent to Miss H. However, the records it does hold, show the dates letters were sent, and what they were for. I can also see the address it had on record was correct.

And JDW appears to have refunded some charges in 2015, as a gesture of good will. I think this would probably only have happened if there had been some communication between it and Miss H. So, as above, in the absence of anything definitive from Miss H, I think the records held by JDW are more persuasive.

So, on balance, I think it more likely than not JDW did write to Miss H in 2015. And these letters included the level of debt she owed, the charges and interest being added, and that the account was defaulted, and debt sold on. So, on balance, I'm satisfied JDW was fair in its actions regarding the debt.

So, I do not require JDW to do any more in relation to this complaint.

My final decision

As a result of the above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 25 May 2020.

Chris Riggs
Ombudsman

