

The complaint

Mr M complains that Arrow Global Limited (Arrow) pursued him for debts that aren't his.

What happened

In 2019 Mr M received a letter about an outstanding debt in relation to someone who has a very similar name. Mr M contacted Arrow to say it was chasing the wrong person and it agreed to contact the original lender to clarify the details of the debt. The process took several months and Mr M complained.

Arrow responded on 28 February 2020 and said the credit reference agencies had incorrectly linked Mr M's identity with someone else. Arrow said it would update its accounts to ensure it wouldn't use Mr M's address any more and told him to contact the credit reference agencies. Arrow offered Mr M £50 compensation.

On 11 March 2020 Arrow wrote to Mr M about a different debt, again for someone with a similar name. Mr M complained again and referred his case to this service. Mr M sent us a copy of his credit file that shows Arrow has a debt registered at his address.

An investigator looked at Mr M's complaint and upheld it. They asked Arrow to take various steps to ensure the problem wasn't repeated and increased the total compensation for the distress and inconvenience caused from £50 to £250. Mr M has confirmed he will accept.

Our investigator issued their findings on 26 October 2020. No response from Arrow was received despite reminders sent on 9 November 2020, 16 November 2020 and 24 November 2020. On 10 December 2020 the investigator contacted Arrow and said that, because it hadn't responded, the case would be referred for appeal. A further copy of the investigator's findings was sent to Arrow. I contacted Arrow on 18 January 2021 and asked it to respond to the investigator's view. I explained that if no response was received, I would proceed to issue the final decision. As Arrow hasn't responded to the investigator's findings despite reminders, Mr M's case has been passed to me to make 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.

As our investigator said, on 28 February 2020 Arrow told Mr M it would remove his details from its systems to stop contact about debts that aren't his. But under two weeks later Arrow wrote to him about another debt causing Mr M to complain further. I can understand why Mr M remains dissatisfied.

All parties agree that Mr M isn't responsible for the debts in question. Arrow says the credit reference agencies linked Mr M's details to the other individual. But no evidence of that has been provided and Mr M has sent us a copy of his credit file that shows no other entries for the individual in question. I agree Arrow needs to take steps to stop reporting debts on Mr M's credit file.

Our investigator said it was important for Arrow to stop contacting Mr M about someone else's debts and I agree. The findings recommended Arrow removes Mr M's address from its systems, stop writing to him and cease reporting the accounts at his address. The findings also said Arrow should contact the credit reference agencies and request removal of the incorrect item from Mr M's credit file, along with any links to the other individual. Arrow hasn't responded to say any of the above remedies aren't possible. I agree that Arrow needs to take an active role in trying to remove the information it has reported on Mr M's credit file. And I think the steps the investigator has asked Arrow to take are reasonable.

The investigator also asked Arrow to increase the total award from £50 to £250. Given the length of time the matter has gone on and continued contact Mr M received, I can understand why he is upset. I agree that a figure of £250 more fairly reflects the impact of this situation on Mr M so I'm going to endorse the investigator's award.

The complaint was upheld on 26 October 2020 and we asked Arrow to respond two weeks later. Several further requests for a response have been sent to Arrow, along with confirmation that the complaint was being passed to an ombudsman. I don't think it's fair on Mr M to hold the case up further and, as I've said above, I'm satisfied the settlement recommended by the investigator is a fair and reasonable way to resolve this case. As a result, I'm going to uphold Mr M's complaint.

My final decision

My decision is that I uphold this complaint and direct Arrow Global Limited to settle as follows:

- Remove Mr M's address from its systems
- Stop contacting Mr M in pursuit of its customer
- Stop reporting the account in question on Mr M's credit file
- Contact the credit reference agencies to ensure removal the incorrectly reported item from Mr M's credit file
- Contact the credit reference agencies and request all links between Mr M and its customer be removed
- Pay Mr M a total of £250 for the distress and inconvenience caused (less any compensation already paid)

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 March 2021.

Marco Manente
Ombudsman