

The complaint

Mr Q complains about recovery action taken by Arrow Global Limited and its agents when seeking to recover a debt.

What happened

In early 2021 Mr Q received contact from solicitors acting for Arrow. The solicitors asked Mr Q to make contact and discuss arrangements to repay an outstanding debt. Mr Q's explained he was unaware of any outstanding debt with Arrow. Mr Q spoke with the solicitors in April 2021 but refused to provide personal information to complete the security questions.

At the end of April 2021, the solicitors sent Mr Q notice it had started legal action against him on Arrow's behalf to recover the outstanding balance. In May 2021 Mr Q spoke with solicitors and asked to raise a Data Subject Access Request (DSAR) but didn't complete the verification process. As a result, the DSAR wasn't completed. Mr Q's explained that despite asking for information about the debt, neither Arrow or its solicitors sent him any evidence to show how it came about or what it related to.

Mr Q submitted information to the court and the legal action was stayed. Mr Q's told us the court told Arrow to forward evidence concerning the outstanding debt to Mr Q within 28 days but no further information was provided.

Arrow later contacted Mr Q again, requesting repayment, and he raised a complaint. Arrow issued a final response and said it had acquired a debt in his name in 2016 and that its agents attempted to collect at another address. But as no contact was received Arrow's agents completed a tracing exercise via the credit reference agencies and found Mr Q's details. Arrow's solicitors contacted Mr Q about the outstanding debt at the address it traced. Arrow said it was limited in the information it could give Mr Q as he declined to complete the security questions.

Arrow's final response also advised it had referred the debt to court after no agreement to pay was reached and added legal fees to the balance. Arrow confirmed no County Court Judgement had been obtained and didn't uphold Mr Q's complaint.

An investigator at this service looked at Mr Q's complaint. They didn't think Arrow had provided a reasonable level of evidence that linked Mr Q with the debt it was seeking to collect. The investigator looked at a copy of Mr Q's credit file but didn't find any links to the address where the credit card debt was registered. The investigator noted Arrow had failed to send a copy of the credit agreement and upheld Mr Q's complaint.

The investigator recommended that Arrow should stop pursuing Mr Q for the debt and pay him £250 for the distress and inconvenience caused.

Arrow asked to appeal and said it had provided evidence to show it linked Mr Q to the account in question. Our investigator didn't agree and asked Arrow to supply further

supporting evidence but no further information was provided. As Arrow asked to appeal, Mr Q's complaint 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.

I've reviewed all of the evidence Arrow has provided in this case. I note we haven't been given copies of the original credit agreement, statements, default letters notices of assignment or any other correspondence that predates Arrow's ownership of the debt that links it to Mr Q. Arrow says it's provided supporting information that shows it correctly linked the debt to Mr Q. But I'm not persuaded the information on file shows a clear link to Mr Q.

Arrow has pointed to a copy of an email provided by one of its agents that confirmed the trace is likely correct. But no supporting evidence to verify the way the addresses were linked has been provided. The screen shot Arrow more recently supplied doesn't show either the sale address or the address Arrow found for Mr Q.

Mr Q's provided a copy of his credit file and I note there's no reference to the address registered when the account was sold to Arrow. Taking all the available evidence into account, I haven't been persuaded Arrow has demonstrated it's fairly pursuing Mr Q for the outstanding balance of the debt it's seeking to collect. As a result, I agree with the investigator that Mr Q's complaint should be upheld.

As I'm not satisfied Arrow's provided reasonable evidence that shows Mr Q is the borrower, I'm going to tell it to stop chasing him for the outstanding balance. I'm satisfied the situation has caused Mr Q an unreasonable level of trouble and upset, including being referred to the courts. So I'm also going to award £250 for the distress and inconvenience caused to Mr Q. In my view, that figure fairly reflects the impact of the issues raised on Mr Q. I'm also going to tell Arrow to ensure there's no impact to Mr Q's credit file.

My final decision

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

- Cease pursuing Mr Q for the debt in question
- Ensure there's no impact to Mr Q's credit file
- Pay Mr Q £250 for the distress and inconvenience caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 28 March 2023.

Marco Manente
Ombudsman