

## **complaint**

Mrs C complains that Equidebt Limited has pursued her for a debt that does not belong to her. Equidebt is now in administration.

## **background**

A debt was transferred to Equidebt in June 2012. It contacted Mrs C and asked her to make repayments to the debt. Mrs C agreed to pay £100 a month to pay off the balance.

In 2013, Mrs C realised that the debt did not belong to her. She raised this with Equidebt. Mrs C was unhappy at the way she was spoken to during a phone call with it. She complained about both this, and the fact she had been paying off a debt which she did not owe.

Equidebt looked into Mrs C's complaint. It did not agree that she received poor customer service. Equidebt said that Mrs C had a different date of birth to the person who owned the debt, and it was looking into the matter. Shortly afterwards, Equidebt went into administration.

Mrs C brought a complaint to us to consider.

The adjudicator recommended that the complaint should be upheld. She considered that the debt did not belong to Mrs C. The adjudicator also concluded that Mrs C received poor customer service from Equidebt. It did not properly investigate her complaint, and it was rude to her during a phone call. The adjudicator recommended that Equidebt refund all the monies paid by Mrs C, and interest on the payments she had made at the rate of 8%. It should also pay her £100 for distress and inconvenience.

The administrator acting for Equidebt said it could not comment on the adjudicator's recommendation. It pointed out however that Mrs C will rank as a non-preferential creditor.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so, I have come to the same conclusions as the adjudicator did for much the same reasons.

It is clear that Mrs C had a different name and date of birth to the actual debt owner. As such she should not have been required to make repayments towards the debt. It is fair that the payments she made should be refunded to her, together with interest on them at a rate of 8%.

Mrs C was upset by the way she was spoken to during her call with Equidebt. It also failed to investigate her complaint promptly. I consider that she should be compensated for the distress and inconvenience this caused her. I agree with the adjudicator that an award of £100 is fair and reasonable compensation.

**my final decision**

My decision is that I uphold this complaint. In settlement of it, I order Equidebt Limited to:

- Refund all the money paid to it by Mrs C.
- Pay interest on the money paid by Mrs C at the rate of 8% simple per year, from the date of each payment to the date of settlement.
- Pay Mrs C £100 for distress and inconvenience.

If Equidebt Limited considers it has to deduct tax from the interest element of my award, it should send Mrs C a tax deduction certificate when it pays her. She can then use that certificate to try to reclaim the tax, if she is entitled to do so.

Rosemary Lloyd  
**ombudsman**