

complaint

Miss T complains that Vanquis Bank Limited (the business) chased her for a debt it had no proof she owed. She complains that the business harassed her for payment and that the number of calls she received was excessive.

background

Miss T says that she was contacted by the business about a debt she did not recall having. She says that she told one of the business' advisors that she remembered having a debt with the original debt provider ten years prior but that she did not have the details and thought she had repaid it. She says she asked that the documents be provided showing she owed the amount the business was chasing. She says she was happy to pay anything she owed but wanted proof first.

Miss T says that she contacted the business and was told the debt was incurred in 2014 at an address she had not lived at. She says this issue caused her a lot of distress. She says that the business called her an excessive amount of times in regard to the alleged debt and that some of the callers were rude.

In September, Miss T received a notice of default. She says she paid the amount due even though she had not received proof of the debt as she didn't want her credit file damaged.

Miss T received a letter dated 29 September 2016 from the original debt provider stating that she had been contacted about the debt in error and that it had requested the business remove her details from its systems.

The business sent a letter to Miss T dated 28 September saying that as Miss T had sent the evidence required to investigate her concerns. It said that while her complaint was being investigated the calls would be put on hold. It did not accept that the calls made prior to that point had been excessive.

After investigating Miss T's complaint, the business says that it found that a mistake had been made in tracing Miss T. It accepted that Miss T did not need to pay the amount it was chasing her for and sent her a cheque refunding the amount she had paid. It says that her credit file would be updated to reflect this.

The investigator upheld this complaint. He said that Miss T had been chased for a debt incorrectly. He said that the business's call log showed 45 calls between 9 June 2016 and 28 August 2016. While only a few of these calls got through to Miss T he accepted that the number of calls would have caused her upset. He also noted that Miss T was sent a notice of default in September which resulted in her paying off the debt even though she had not been provided with the proof she requested at that time.

Overall, the investigator found that Miss T should be compensated for the trouble and upset that the business had caused by chasing her for a debt she did not owe. He recommended it pay her £250.

The business accepted the investigator's recommendation.

Miss T did not accept the investigator's view. She said that the view contained information she was not aware of. She said she was pursued for a debt and an entry was made on her credit file without any proof of that debt being provided. She said she was harassed by the business with calls being received at weekends and on bank holidays as well as at other times and she has not received an apology for the upset it caused.

my findings

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

The business has accepted that a mistake has been made and that Miss T was wrongly chased for a debt. Where a mistake has been made it is fair that the customer is put back in the position they would have been in had the mistake not been made and, where appropriate, compensation is awarded.

In this case Miss T paid the amount she was being chased for in order to prevent a default being recorded on her credit file. The business has accepted that Miss T should not have been required to pay this amount and has sent a cheque refunding the amount she paid. It has also said that her credit file will be updated. By refunding the amount Miss T paid and updating her credit file I find that Miss T will have been put back in the position she would have been had the mistake not been made.

However through this process, Miss T has received many calls which have caused her stress and upset. She has received a default notice which caused her further distress. Given she should not have been chased for the debt I find it reasonable that she is paid compensation.

Miss T received many calls although only some of these were answered. I have not listened to the calls and so I cannot comment on Miss T's complaint about the tone of some of the callers. However, I do find that this process has been upsetting and that she was caused distress over a number of months. The investigator recommended that the business pay Miss T £250 compensation for this and the business agreed. I find this amount fair.

Miss T has said that she has not received an apology. I can see why this has been frustrating and I understand that the business will be sending her a letter of apology.

Overall, I find that Miss T has been put back in the position she would have been in if the mistake had not been made and as the business has agreed to pay her £250 compensation, I find that this is sufficient to resolve this complaint.

my final decision

My final decision is that I uphold this complaint. Vanquis Bank Limited should, as it has agreed, pay Miss T £250 compensation for the trouble and upset this issue has caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 8 March 2017.

Jane Archer
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