

complaint

Mr A complains that Wescot Credit Services Limited wrote to him saying his debt had been written off. He was then contacted by another company chasing the outstanding debt. He says he will not pay the outstanding amount as he has been told it has been written off.

background

Mr A received a letter dated 29 January 2015, from Wescot saying that it was no longer dealing with his account as the account was written off. Wescot returned the payment Mr A had sent and suggested he contacted its client. Mr A says he then received a letter from another business asking for payment.

Wescot took over the management of Mr A's account in 2013. It says that the letter sent in January 2015 saying his account had been written off was a mistake. It says that it is not able to write off the account and that as it is no longer dealing with Mr A's account and he should contact the business that is managing it. It apologised for the upset its letter had caused and offered Mr A £50 compensation.

The adjudicator said that the letter Mr A received was misleading but she did not recommend that Wescot should write the debt off. She said Wescot admitted its mistake and offered £50 compensation which she found fair and reasonable.

Mr A did not agree. He said that he had been told his account had been written off and so he should not be required to make any further payments. He says it was not his fault he was given the wrong information.

my findings

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

Wescot has admitted that it made a mistake by sending Mr A a letter saying his account had been written off. This letter did also say that Wescot was no longer dealing with the account and that Mr A should contact its client. I appreciate this could be taken to suggest that further communication and payments might be needed. However I find it reasonable that based on the words "*account is written off*" Mr A believed he had no more to pay.

My role is not to punish Wescot but where a mistake has been made to make sure that the customer is put back in the same position he would have been in had the mistake not been made and, where appropriate, to award compensation.

In this situation, I have to consider what would have happened had Mr A not received the letter wrongly saying his account had been written off.

As far as I am aware, Mr A had not disputed the debt and was making payments towards it before he received the letter from Wescot dated 29 January 2015. Based on this, I find that had Mr A not received the wrong information in the letter, he would still have been in the same position that he currently is. That is, with an outstanding debt. Because of this, I do not require Wescot to write off the debt.

I do find that Mr A was caused upset and inconvenience by being told his account had been written off when this was not correct. I understand Mr A's annoyance that through no fault of his own he was first led to believe he had nothing further to pay and then was contacted by another business for payment. Because of this I find that compensation is required.

When deciding the amount of compensation I have taken into account that the January letter was the only piece of incorrect information provided. This letter also said for Mr A to contact Wescot's client. If Mr A had done this he may have been made aware of the mistake before he received a further payment request. Overall, while I appreciate Mr A's comments I find that £50 compensation is fair and reasonable.

my final decision

My final decision is that Wescot Credit Services Limited should pay Mr A £50 compensation for the trouble and upset he has been caused by being wrongly told his account was written off.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 6 November 2015.

Jane Archer
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