

## **complaint**

Mr S complains that Fredrickson International Limited wrongly chased him to pay back a debt that was included in an Individual Voluntary Arrangement (IVA).

## **background**

Mr S explains that a loan and overdraft debt were included in his IVA which successfully completed in 2015. Shortly after the IVA had finished Mr S got a letter from Fredrickson International explaining it was acting on behalf of the creditor asking him to pay the outstanding loan and overdraft debt back. Mr S called Fredrickson and explained that the debt was included in the IVA. Mr S had to contact Fredrickson on a number of occasions and then he was asked for supporting paperwork before it was accepted that the debt had been included in the IVA. This had a very upsetting effect on Mr S. After he complained to this service Fredrickson offered Mr S £175 in recognition of the trouble and upset caused.

Our adjudicator thought that the complaint should be upheld. She didn't think that Fredrickson had done enough to sort out Mr S's complaint and she didn't think that £175 was enough to compensate him for the trouble and upset caused she thought £350 was a fair amount. Fredrickson didn't agree and said in summary that this was too much.

## **my findings**

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

Fredrickson don't dispute that it should not have chased Mr S for the debt. It has explained why there was a delay in resolving Mr S's complaint because the original creditor mistakenly said the IVA had been rejected and no trace could be found on the insolvency website. Although Mr S's account was placed on hold it did take a long time for the situation to be sorted out. I agree with the adjudicator that Fredrickson didn't do enough to deal with Mr S's complaint in an appropriate or timely way. It asked Mr S for information on more than one occasion and although it knew the effect that the situation was having on him it didn't do enough to resolve his complaint quickly. I have taken account of the fact that Fredrickson was acting on the instructions of the creditor but I think that once Mr S made it aware of the situation it could have done more to satisfy itself about the IVA instead of relying on what it was told by the original creditor.

Mr S has explained that the whole process was upsetting for him and affected his mental health. I can appreciate that the ongoing situation was worrying for Mr S and it took longer than it should have to sort out. Mr S had to make a number of telephone calls and post copy documents in support of his IVA. Overall I agree with the adjudicator that £350 is a fair and reasonable amount to cover his out of pocket expenses and compensate him for the trouble and upset caused.

**my final decision**

My final decision is that I uphold this complaint. In full and final settlement of it Fredrickson International Limited should pay Mr S £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 January 2016.

Emma Boothroyd  
**ombudsman**