

complaint

Mrs S complains that Arrow Global Limited chased her for payment of a debt that she had already paid.

background

The outstanding balance on Mrs S's credit card was purchased by Arrow Global in 2011. In 2015 she paid an agreed amount to settle the account and received a letter confirming there was a nil balance. But Arrow Global continued to chase her for payment.

The adjudicator forwarded statements to Arrow Global showing that Mrs S had paid the sum due. Arrow Global agreed it would refund the payments Mrs S had paid to it. But our adjudicator thought that Arrow Global should have realised earlier than it did that the account had been settled and that it should pay Mrs S £150 for the distress it had caused her.

Arrow Global did not agree. It said it had asked Mrs S for further information which would've enabled it to close her account, but she didn't send it.

my findings

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

When Arrow Global purchased the debt in 2011, it was £378.99. But the original creditor also seems to have passed the debt to another third party and Mrs S continued to make nominal payments to it. In 2015, she was offered a final settlement figure by the third party and she paid it. The statement she sent to Arrow Global when it contacted her showed that the debt originated from the same account and that she had settled it.

Arrow Global had bought the debt in good faith but, like the adjudicator, I think it should have reasonably realised that the debt had been settled when Mrs S sent it a statement. If it had done so, Mrs S wouldn't have needed to have brought her complaint to this service which has caused her unnecessary trouble for which she should be compensated. I consider £150 to be fair and reasonable in the circumstances.

my final decision

My decision is that Arrow Global Limited should pay Mrs S £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 1 August 2016.

Elizabeth Dawes
ombudsman