

complaint

Mr S complains that MKDP LLP has put a default on his credit record and is pursuing him for a debt that he's not liable for.

our initial conclusions

Our adjudicator said that MKDP LLP should remove the default and stop pursuing Mr S. She was satisfied that although the account belonged to Mr S, he shouldn't be liable for the debt. She was satisfied the debt had been created by another party without the authority of Mr S. She suggested a distress and inconvenience payment of £150 to reflect MKDP LLP's actions. MKDP offered £75.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr S and the MKDP LLP have said. Mr S has said he'd stopped using the credit card sometime before the debt was created. He then sold the house he was living in. Later the credit card company automatically issued a new card and sent it to Mr S's old house. The debt is cash withdrawals from a place Mr S says he's never been to. MKDP LLP has been unable to show persuasive reason for why he should be liable for the debt other than it's on his account. I am satisfied on balance that Mr S did not authorise this spending.

MKDP LLP has objected because it bought the debt from the credit card company in good faith. However when MKDP bought the debt it took full responsibility for it. So I'm not persuaded by this. Considering the time and correspondence involved I think £150 better reflects the distress and inconvenience suffered.

So my final decision is that MKDP LLP should stop pursuing Mr S for the debt and remove any adverse information from his credit file. It should also pay Mr S £150 for the distress and inconvenience it has caused him.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S either to accept or reject my decision before 3 August 2015.

Rod Glyn-Thomas

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.