

complaint

Ms F is unhappy that Arrow Global Limited ("Arrow") is only pursuing her for the debt that she held jointly with her ex-husband.

background

In 2001 Ms F and her ex-husband took out a loan for £15,000. But in 2010 Ms F and her husband separated and divorced in 2011. Ms F says she set up a payment plan and since then she has consistently made payments in an attempt to reduce the debt. But she says her ex-husband stopped making payments in December 2012.

Ms F feels this is unfair. She wrote to Arrow to ask why it hadn't pursued her ex-husband for the debt and says that if it had, the loan would be repaid sooner. Arrow said it had written to him, but her ex-husband hadn't responded.

Arrow said the account was sold to it in March 2013. At that time the balance of the account was £13,298.80 and in total it had received payments of £1,601.68, leaving a remaining balance of £11,697.12. Arrow said it's tried to contact Ms F's ex-husband and will continue to do so. But as it hasn't managed to get hold of him and the account is in joint names, there is little it can do. It understands Ms F's concerns that she is the only one making payments but they are jointly and severally liable.

Ms F didn't think this was fair, so she brought her complaint to our service. One of our investigators looked into the complaint but she didn't think it should be upheld. She said she didn't think Arrow had acted unfairly as Ms F had been making payments and it wasn't unreasonable for Arrow to accept these payments considering both parties were jointly and severally liable for the loan. Ms F didn't agree so the case was passed to me to consider.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I agree with the investigator's opinion for broadly the same reasons. I will explain why.

I have reviewed the loan application. Having done so, I'm satisfied that the loan was taken out in Ms F's and her ex-husbands name. Because this is a joint loan all liability will be joint and several.

Ms F agreed to a repayment plan and has solely been reducing the debt. But as far as Arrow is concerned the debt is being repaid. Because both Ms F and her ex-husband are jointly and severally liable, Arrow isn't concerned who is paying for the debt as long as the balance is reducing.

I understand Ms F feels this is unfair and that she's frustrated that she is the only one paying the debt, despite her ex-husband holding the loan jointly with her. But Arrow has confirmed it has written to her ex-husband and he hasn't made contact. It's also said once it receives his new contact details it will continue to pursue him for the debt. Because of this, I can't say that Arrow has acted unfairly and the issue of which party

makes the repayments towards the loan is a civil matter between Ms F and her ex-husband.

Overall I don't think Arrow has acted unreasonably as it is entitled to pursue either party to the loan. So I don't think Arrow needs to anything further here.

my final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 13 November 2017.

Jade Rowe
ombudsman