

complaint

Ms G complains that Robinson Way Limited had registered a County Court Judgement against her and when she paid this it was slow to have it removed.

background

Ms G along with her ex-husband encountered financial difficulties in 2008 and failed to make repayments on a loan. In June after selling her house Ms G obtained copy of her credit report to pay off all her outstanding debts. She noticed that Robinsons had registered a CCJ to an old address. She paid the debt immediately and as this fell within 30 days of the issue of the CCJ she asked that it be removed from her credit file.

She complained that Robinsons hadn't notified her of the court hearing at which she could have defended herself and arranged to pay the debt. She also argued the debt was statute barred as no payments had been made for 6 years. Finally, she said Robinsons had been slow to respond to the payment of the debt and this had meant it wasn't removed from her credit report for some time.

Ms G brought her complaint to this service where it was investigated on one of our adjudicators who recommend that it be upheld in part. Robinsons said the debt had been transferred to it in October 2014 by the original lender. The lender gave an address and Robinsons obtained confirmation of this address from a credit reference agency. In January 2015 it was told Ms G no longer resided at the address and the credit reference agency provided another address. This too was an old address so Ms G didn't receive the letters issued by Robinsons.

It said that once it had been informed the debt had been paid it had notified its solicitors to advise the courts the payment had been received. However, it accepted that it had made an error when first taking action to notify the Court. It added that it issued a receipt dated 25 June 2016. Finally it noted that it had failed to log Ms G's initial complaint and apologised for this oversight.

The adjudicator didn't consider collection of the debt was statute barred. Nor did he consider that Robinsons had done anything wrong in taking the matter to the Court. However he noted that it had taken over six months for the CCJ to be removed from Ms G's credit file. He also identified that the receipt which would have allowed Ms G to take the matter to the court herself had been sent to the old address. He suggested Robinsons pay Ms G £200 to reflect the trouble and upset caused by the handling of the matter once Ms G had paid the debt.

Robinsons disagreed and said although there had been an error in notifying the court the CCJ was removed from the credit file in a reasonable time. It also said that when Ms G called she didn't notify the business of her new address so the receipt was sent to the last known address. It suggested compensation payment of £100. The adjudicator didn't agree and so the matter has been referred to me.

my findings

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

I am satisfied that Ms G owed the money along with her husband and that it wasn't statute barred. She has paid the debt which is to her credit and the only issue for me to consider is how that was handled by Robinsons.

I can understand Ms G's concern that the CCJ remained on her credit file for over 6 months after she had paid it. There has been an exchange between the business and the adjudicator about the amount of effort made by Ms G to get the CCJ removed and whether she told it of her latest address. I don't propose to cover those issues in detail in this decision.

Quite simply I consider that it took too long to remove the CCJ from the credit file and ultimately that was the responsibility of Robinsons. If it hadn't made the original error the matter might well have been resolved without the need for Ms G to complain. Nor do I think Robinsons can absolve itself of responsibility by pointing to delays by its agent. It was responsible for the handling of the debt and in ensuring the credit files were updated without delay. The impact of a CCJ record on a credit file can be significant I can understand Ms G's concern. For that I consider £200 compensation is fair.

my final decision

My final decision is that I uphold this complaint and I direct Robinson Way Limited to pay Ms G £200. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 19 May 2017.

Ivor Graham
ombudsman