

complaint

Mrs C complains that Shop Direct Finance Company Limited is asking her to repay a debt that does not belong to her.

background

Mrs C opened an account with Shop Direct in July 2001. She used the account to make a number of purchases. Mrs C fell into arrears with the repayments that were due, and the account was passed to a debt collector in 2011.

Mrs C says that the debt does not belong to her. She was previously acting as an agent for Shop Direct, and says the debts belong to other customers. Mrs C complained to Shop Direct. It looked into the matter and agreed to remove the sum of £180 from the debt. This was in respect of customers where Mrs C had been able to provide evidence that the sums belonged to other customers. Shop Direct also refunded some of the charges that had been added to the account.

Mrs C was not happy with this response from Shop Direct. She brought a complaint to us to consider.

The adjudicator did not recommend that the complaint should be upheld. She considered that there was not enough evidence to persuade her that the most of the debt did not belong to Mrs C. The adjudicator considered that the offer of Shop Direct to reduce the debt by £180 was reasonable.

Mrs C is not happy to accept the adjudicator's recommendation. She says that the debt does not belong to her. Instead it is debts due by other customers who she was acting as agent for. Mrs C provided a handwritten note she had produced which detailed which sums were owed by other people.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive, or contradictory, as some of it is here, I reach my decision on a balance of probabilities – that is to say, what I consider is most likely to have happened in the light of the evidence that is available and the wider surrounding circumstances.

I have come to the same conclusions as the adjudicator did for much the same reasons. There is not enough evidence to persuade me that some of the debt Mrs C is being asked to repay belongs to other customers of Shop Direct. I have not seen a copy of any orders placed by third parties which would suggest that the outstanding debt belongs to them.

The handwritten note provided by Mrs C which details the third parties and the amount she says they owe, does not persuade me, on balance, that they should be responsible for the debt.

The information supplied by Shop Direct, including statements and system notes, leads me to the conclusion that the debt is payable by Mrs C for orders she placed with Shop Direct.

Mrs C has been able to show that £180 of the debt does belong to other customers. In light of this, Shop Direct has agreed to reduce the balance by this sum. I find this is reasonable. If Mrs C is able to produce evidence to show that the debt comprises of orders placed by other parties, I would suggest that she forwards it to Shop Direct to allow it to reconsider the amount it is asking Mrs C to repay.

my final decision

My decision is that Shop Direct Finance Company Limited should reduce the amount it is asking Mrs C to repay by £180 as it has agreed to do.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs C to accept or reject my decision before 10 April 2015.

Rosemary Lloyd
ombudsman