

## **complaint**

Mr S complains that Arrow Global Limited (Arrow) has been wrongly chasing him for a debt he doesn't owe. He wants compensation for the distress and inconvenience he says this caused him.

## **background**

I issued my provisional decision in September 2016, a copy of which is attached and forms part of this final decision. In my provisional decision I explained why I was intending to uphold Mr S's complaint. I asked everyone to send me any further comments and information before I reached a final decision.

Everyone confirmed they'd received my provisional decision. And no one had anything to add after they'd seen it. And Arrow confirmed to Mr S that they accepted my decision.

## **my findings**

I've re-considered all the evidence and arguments already sent to us to decide what's fair and reasonable. And I've reached the same conclusions I reached in my provisional decision, for the same reasons.

## **my final decision**

For the reasons I've explained, I uphold Mr S's complaint.

Arrow Global Limited should put things right for Mr S in line with the instructions in my provisional decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 November 2016.

Julian Cridge  
**ombudsman**

## **copy of provisional decision**

### **background**

In late 2015 Mr S was contacted by a third party trying to recover an unpaid debt Arrow thought Mr S owed them. Mr S wrote and complained to the third party that was managing the debt for Arrow. Mr S explained the debt was not his and that it appeared to be fraudulent.

After some investigation, Arrow wrote to Mr S in mid-2016 to confirm they weren't going to pursue him for the debt.

Mr S complained that he'd felt harassed and stressed by Arrow's actions. And that these had caused some family upset over the Christmas period.

Our adjudicator thought the complaint should be upheld and that Arrow should pay Mr S £500 as compensation for the distress and inconvenience he suffered.

Arrow didn't agree. They felt they'd done nothing wrong in contacting Mr S about the debt. They explained that they'd been contacted about the debt on a number of occasions by someone who was able to pass the account security questions. And that this person (whose identity both parties now know) had agreed to repay the debt.

Because of this, Arrow said they'd not been wrong to assume they'd always been dealing with the correct person. So that it wasn't their fault they'd wrongly chased Mr S for the debt.

The complaint now comes to me to decide.

### **my provisional findings**

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

Arrow needed to make sure they were chasing the correct person for the debt.

From the information we've been given it seems that the credit account was fraudulently set up in Mr S' name. Arrow haven't disagreed with Mr S when he said it was fraudulently set up. And they've now closed the account and have told Mr S they won't chase him for the debt any more.

Our adjudicator felt the complaint should be upheld because they thought Mr S was being wrongly chased by Arrow for the debt.

Arrow said they didn't agree but didn't explain why. The only information they gave was to give us copies of three telephone call recordings to Arrow about the debt. But all those recordings show is that it's likely the same person made those calls. And that that person passed the security questions Arrow asked.

This doesn't help me decide if Arrow was chasing the correct person for the debt. And Mr S told us some things about what he said was the fraudulent credit account application made in his name. These included that the employment details on it were totally wrong and the signature wasn't his.

So taking everything into account, because:

- of what Mr S told us about the incorrect information on the credit account application
- Arrow hasn't given us any information that suggests this was Mr S's debt
- Arrow hasn't tried to suggest to us that this was Mr S's debt
- Arrow has closed the account and told Mr S they won't chase him for the debt

I don't think it's likely the debt was Mr S's. So Arrow shouldn't have been chasing him for it.

Arrow (through its third party account manager) would've known by December 2015 at the latest that Mr S had complained the debt wasn't his. It then took Arrow until June 2016 to tell Mr S that they wouldn't chase him for the debt any longer. Based on what I've seen so far, I think this was a very long time for Arrow to take to make their decision not to pursue Mr S for the debt.

Mr S has explained in detail how Arrow's mistake has caused him to suffer distress and inconvenience. I've set out some of that information above. I accept what Mr S has told us and I do think he suffered distress and inconvenience because of Arrow's mistake. And taking everything into account, I currently think that £500 is the fair figure to compensate Mr S for this.

**what Arrow should do to put things right**

1. Arrow should remove any adverse information that might've been recorded on Mr S's credit file about the account, if there is any.
2. Arrow should pay Mr S £500 as compensation for distress and inconvenience.

**my provisional decision**

For the reasons I've explained above, I currently intend to uphold Mr S's complaint.

Arrow Global Limited should pay Mr S compensation in line with my above instructions.

Julian Cridge  
**ombudsman**