

complaint

Mr R complains that Northern Debt Recovery Limited continued to contact him about debt repayment after it was made aware he did not have an outstanding debt.

background

Mr R applied for a loan through another party ("the lender"). This loan was never credited to his account but the lender continued to pursue him for the debt. It instructed Northern Debt Recovery who had ongoing contact with him.

The adjudicator recommended that the complaint should be upheld. She said that she was only considering the position of Northern Debt Recovery and noted that separate complaints had been made against the lender and another party. She considered that Northern Debt Recovery ought to have investigated the dispute raised by Mr R and put a reasonable hold on its activities. She was not persuaded that it took sufficient action and noted that it continued to contact him and made reference to agreements to pay that Mr R had never made. She considered that it should pay Mr R £50 in compensation for distress and inconvenience.

Northern Debt Recovery did not agree and said that it was following the instructions of the lender. It said that it had told Mr R to send a bank statement to the lender to demonstrate his position. It also said that its agents put a note on file instructing the lender not to exercise continuous payment. It said it could not proceed further without a response from the lender.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so I find I come to the same conclusion as the adjudicator and for mainly the same reasons. Whilst I note the actions Northern Debt Recovery said it took there is evidence of ongoing contact with Mr R. I consider that this was not reasonable or appropriate and that as a result it caused him distress and inconvenience. I agree that an award of compensation of £50 is reasonable.

my final decision

In light of the above, my decision is that I uphold this complaint and I order Northern Debt Recovery Limited to pay Mr R £50 in full and final settlement.

Michael Crewe
ombudsman