

complaint

Mr M complains that J D Williams & Company Limited (JDW&C) wrongly opened an account in his name and are chasing him for a debt that isn't his.

background

Mr M got a letter from a debt collection company instructed on behalf of JDW&C asking him to repay a debt he didn't owe. Mr M contacted JDW&C and explained that the debt wasn't his but the business couldn't find any account for Mr M and asked for more details. Mr M complained to this service and our adjudicator contacted JDW&C with the details. Mr M's account was found and JDW&C explained that it had been opened fraudulently. It has closed the account, removed all details from Mr M's credit file and offered £50 in recognition of the inconvenience caused to Mr M.

Our adjudicator thought that this was a fair and reasonable settlement and in line with other awards we make. Mr M didn't agree and said it wasn't enough because his ability to get credit would be affected while he was waiting for his credit file to be updated.

my findings

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

JDW&C accept that an account was opened in Mr M's name fraudulently. Debt collectors were instructed because no payments were made on the account and it was the debt collectors that traced Mr M and asked him to pay the debt back. When Mr M contacted JDW&C to explain that the debt wasn't his, the business sent a letter asking for more details so it could trace the account.

Mr M didn't reply to that letter but when this service provided the information the account was closed and the business told the credit reference agencies to remove all the details from Mr M's credit file.

I sympathise with Mr M and I appreciate that this has been stressful for him. It was unfortunate that JDW&C couldn't find Mr M's account but overall I think it has acted correctly to put things right for Mr M. The delay in updating the credit files is not something JDW&C can do anything about and this is the time taken by the credit reference agencies to process the information.

I understand why Mr M thinks that the £50 offered by JDW&C isn't enough but overall I think it is fair and in line with other awards we make. JDW&C has put things right for Mr M and although I know he isn't happy with the actions of the debt collectors I can only look at what JDW&C has done.

my final decision

My final decision is that J D Williams & Company Limited should pay Mr M £50 in full and final settlement of this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 March 2016.

Emma Boothroyd
ombudsman