

complaint

Mr A complains that Arrow Global Limited won't accept his offer to make monthly repayments of £50 to his debt and that it's issued legal proceedings against him.

background

Mr A owed a debt to a creditor which was transferred to Arrow Global in June 2017 when it was about £3,500. Arrow Global instructed a third party to recover the debt from Mr A and it wrote to Mr A in November 2017 asking him to contact the third party. Further letters were sent to Mr A to which he didn't reply so in December 2017 he was asked to repay the outstanding amount within 30 days. Mr A contacted the third party soon after that period expired and offered to make monthly repayments of £50. The third party said that it would need income and expenditure information from Mr A before accepting his offer and it gave him a further seven days to provide that information. Mr A didn't provide any of that information so legal proceedings were issued against him in January 2018. He then complained to Arrow Global and the third party. He wasn't satisfied with Arrow Global's response so complained to this service.

The investigator didn't recommend that this complaint should be upheld. He thought that Mr A had had enough time to contact the third party and agree a repayment plan. And he said that the deadline was extended on more than one occasion. So he didn't agree that Mr A wasn't given enough time to arrange a repayment plan or clear the balance. And he said that he wouldn't be asking Arrow Global to do anything to compensate Mr A.

Mr A has asked for his complaint to be considered by an ombudsman. He says, in summary, that: he doesn't want to pay the court fees; English isn't his first language and he didn't understand the seven day extension that he was given; and he didn't get the income and expenditure information until too late.

my findings

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

Mr A hasn't provided any evidence to dispute the debt that he owed to the original creditor. And that debt was then transferred to Arrow Global. It instructed a third party to recover the debt from Mr A. At least two letters were sent to Mr A asking him to contact the third party – and when he didn't do so he was sent another letter advising him that legal proceedings would be issued against him if he didn't repay the debt within 30 days. He contacted the third party shortly after that period had expired and offered to make monthly repayments of £50. The third party said that it needed income and expenditure information from Mr A before it could consider his offer and an extension of seven days was agreed. Mr A says that English isn't his first language and that he didn't understand the seven day period. But I consider that the third party acted reasonably in the circumstances and that it was Mr A's responsibility to make sure that he understood what had been agreed.

Mr A didn't provide any income and expenditure information within that period so legal proceedings were issued against Mr A in January 2018. And the cost of issuing the proceedings was added to the debt owed by Mr A. Mr A says that he shouldn't have to pay the court fees. But I consider that Arrow Global has acted fairly and reasonably in these circumstances and that it only issued legal proceedings after warnings had been given to

Mr A and he'd missed numerous deadlines that it had set. So I find that it's fair and reasonable for Arrow Global to charge Mr A for the court fees in these circumstances.

Mr A says that he didn't receive the income and expenditure information until too late. But I've seen no evidence to show that he contacted the third party (or Arrow Global) to say that the information was delayed or to ask for an extension of the seven day period.

I'm not persuaded that there's enough evidence to show that Arrow Global has acted incorrectly in its dealings with Mr A. And I consider that it was fair and reasonable for Mr A to be required to provide income and expenditure information before his repayment offer could be considered. So I find that it wouldn't be fair or reasonable in these circumstances for me to require Arrow Global to: remove the court fees from Mr A's debt; accept his repayment offer of £50 each month without him providing income and expenditure information; or take any other action in response to his complaint.

Arrow Global has issued court proceedings against Mr A. I suggest that he provides it with information about his income and expenditure and then asks it to consider his repayment offer. It's required to respond to any financial difficulties that Mr A is experiencing positively and sympathetically. The third party has provided Mr A with information about free debt advice that's available.

my final decision

For these reasons, my decision is that I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 October 2018.

Jarrold Hastings
ombudsman