

complaint

Mr F complains that Arrow Global Limited gave him the wrong balance for his account and misled him into thinking he'd paid off his debt when he hadn't.

background

Arrow Global bought Mr F's account from another company in 2015. It used another company (company B) to manage the debt. In May 2017 company B told Mr F he owed about £160 and he arranged to pay the outstanding amount in instalments. Mr F paid off that amount by August 2017. Arrow Global then noticed that some payments had been duplicated on the account and Mr F actually owed £450. Mr F queried that and company B said it would ask Arrow Global to investigate. Company B subsequently apologised for the delay in approaching Arrow Global and paid Mr F £40 for the inconvenience caused by that delay.

Arrow Global accepted it had given Mr F misleading information about his account. It therefore upheld that aspect of his complaint and offered to pay him £200. However, it didn't accept that the balance on his account was incorrect and said he should contact company B about making further payments towards the outstanding debt. It also sent him an account statement and said he'd need to provide evidence if he believed he'd paid off more of the debt than it had recorded.

Mr F thought the debt should be written off and approached this service. He said he didn't receive statements on his account and questioned whether his account had been mixed up with his partner's account. Our investigator didn't uphold the complaint as he thought Arrow Global had done enough to resolve his complaint. He thought the offer of £200 was fair as it recognised the impact of the mistake on Mr F. And he didn't think it would be fair to write off the outstanding amount on the account as that was a debt that needed to be paid.

As Mr F remained unhappy, the complaint has been passed to me to make a final decision.

my findings

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

I can understand why Mr F isn't happy with the service provided by Arrow Global. He rightly believed he'd repaid the debt he owed but was then told he still had £450 to pay. Arrow Global accept it made an error, apologised and paid £200 compensation for misleading Mr F by telling him he'd repaid the debt when he hadn't. It explained what had happened and said it had only noticed an error had been made after it had told him he'd repaid the debt.

I don't underestimate how annoying and frustrating it would have been to be given the wrong information about the debt and then have to wait to find out what had happened. But bearing in mind the particular circumstances of this complaint, I think the £200 Arrow Global has offered Mr F is proportionate to the distress and inconvenience it caused and provides fair and reasonable compensation. As such, I don't think it needs to do any more. Mr F has confirmed he's received the cheque for £200.

Mr F wants the debt to be written off but I don't think that would be appropriate. Where things have gone wrong, I would expect a business to try to put the consumer back in the position

they'd have been in if the error hadn't occurred. In Mr F's case, if Arrow Global had correctly informed him of the amount he owed, he could have planned his repayments accordingly and he wouldn't have had the distress and inconvenience of being misled into thinking he'd repaid the debt when he hadn't. But he'd still have needed to repay the debt. So I don't think it's unreasonable to expect him to do the same now.

Mr F has questioned whether the balance on his account is correct and wonders whether Arrow Global has mixed his account up with his partner's because it's quoted different reference numbers. But the evidence I've seen doesn't support that. Arrow Global has told this service that both client reference numbers relate to the same loan account for Mr F and although it changed the reference number, it had no impact on the balance.

Arrow Global also explained that the payments were duplicated when Arrow Global updated company B about five payments it had applied to the balance, and company B then applied the same payments to the account again. From the evidence I've seen, I think that's a reasonable explanation for what happened. Arrow Global and this service have asked Mr F if he has any evidence to show he's made payments that aren't shown on the account statements. But the evidence he's provided only show payments that are recorded on the statements. If Mr F thinks he's paid more of the debt than Arrow Global has recorded, I would advise him to provide evidence of those payments to Arrow Global.

my final decision

Arrow Global Limited has already paid £200 to settle the complaint and I think this amount is fair in all the circumstances. I don't think it needs to do any more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 October 2019.

Richard Walker
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