

complaint

Mr F is unhappy that Esure Services Limited (“esure”) pursued him for a debt he didn’t owe.

background

In May 2018, esure incorrectly referred Mr F’s account to a third-party debt collection agency on the basis that he owed Esure £448.49. In reality, Mr F didn’t owe esure anything and this referral was carried out in error.

Mr F complained to esure which agreed it had made a mistake. It offered him £100 in recognition of the distress and inconvenience this error had caused. Mr F didn’t think this was enough. He said that this incident caused him considerable anxiety. He also said that his work colleagues saw the screen on his mobile phone when he was called by the debt collection agency and this displayed the name of the organisation that was calling him. Given the nature of his work, he says being chased for an unpaid debt could damage his reputation and harm his career.

This complaint was looked at by an investigator who thought esure’s offer was fair. Mr F disagreed with the investigator’s opinion and so the complaint has been passed to me to come to a final decision.

Mr F did also say that he thinks sharing his information with the debt collection agency might have breached his rights under the relevant data protection legislation. However, that’s not an issue for this service to consider so I won’t comment on it in this 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. And having done so, I’ve come to the same conclusion as the investigator and for broadly the same reasons.

There’s no question that esure made a mistake here and that Mr F’s account shouldn’t have been referred to a debt collections agency. But from the evidence I’ve seen, Esure dealt with that error promptly and appropriately.

Mr F says he spent a significant amount of time dealing with the situation. But from what I’ve seen, the situation was resolved on the same day. I recognise that Mr F would rather not have to spend any time resolving the situation – but I do think £100 is a fair amount of compensation for this.

Mr F also says that esure’s error caused him significant embarrassment. He told us he has a service on his phone which displays the name of the organisation calling him. At the time he was called, he was at work and his phone was visible to some of his colleagues. He says that, due to the nature of his occupation, being chased for an unpaid debt could cause reputational damage and harm his career. By contrast, esure says the name of the debt collection agency couldn’t have been displayed on his phone. It says that the phone system it uses mimics an area code local to the customer they’re seeking to make contact with.

I don’t think it’s critical to the outcome of the complaint either way. I can understand Mr F’s fear about the potential harm to his career but I’m afraid I don’t think this means his complaint should be upheld. It couldn’t have been foreseeable to esure that any of this

information would've been visible to Mr F's colleagues. And in any event, receiving unwanted phone calls from various organisations is a fairly common occurrence these days and I think most people would disregard such an incident.

my final decision

For the reasons I've set out above, I think the offer of £100 is fair.

If it hasn't already done so, Esure Services Limited now needs to pay it to Mr F.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 December 2018.

James Kimmitt
ombudsman