

complaint

Mr N complains that Arrow Global Limited is wrongly recording a default on his credit file.

background

Arrow Global purchased Mr N's debt from his bank. Mr N says he disputed the overdraft and charges with his bank at the time. He provided a letter from a credit reference agency that'd removed the default and deleted the account following communication with the originating bank.

Our adjudicator concluded that the credit reference agency's letter was enough to show that Arrow Global should remove the default and pay Mr N £150 compensation for the trouble and upset he'd been caused.

Mr N said that the compensation recommended wasn't enough and he provided further details of the financial impact of the default on his credit file and medical information which he says shows the impact Arrow Global's mistake has had on his health.

my provisional findings

Following the adjudicator's conclusions, this service asked for more information from the originating bank because it wasn't clear why the account had been deleted from Mr N's credit file. The bank provided evidence that the debt hadn't been paid, or written off, before it was sold to Arrow Global. Although Mr N complained to the bank, his complaint wasn't upheld. I said I'd seen enough evidence to satisfy me that Mr N was aware that the debt remained outstanding.

I was minded to conclude that Arrow Global purchased the debt in good faith and I couldn't see that it'd done anything wrong.

I didn't think it was clear why one of the credit reference agencies agreed to remove the account from Mr N's credit file. But I concluded the account was in default so Arrow Global didn't make a mistake when it reported this to the credit reference agencies.

Mr N didn't agree with my provisional decision. He forwarded the terms and conditions of the account he'd held with the originating bank to show that it'd been in breach of its own terms when it allowed Mr N to go overdrawn. He said he'd successfully challenged the originating bank and it shouldn't have sold the debt to Arrow Global.

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 have looked at the further evidence Mr N has provided about the account he had with the originating bank. But this complaint is about the actions of Arrow Global, not the originating bank. As set out in my provisional decision, Arrow Global purchased the debt in good faith and it's seen nothing to suggest to it that Mr N doesn't owe the debt.

I understand Mr N's strength of feeling on this matter and the fact that he recalls the originating bank wrote off the debt. But I've not seen evidence to show either that his complaint with the originating bank was upheld, or that the debt was written off. I appreciate Mr N will be disappointed with my decision but he is free to either reject it and pursue his complaint through the courts; or to raise a complaint with the originating bank.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 26 July 2017.

Elizabeth Dawes
ombudsman