

## **complaint**

Ms W complains that Express Gifts Ltd (trading as Studio) wrongly held her liable for another person's debt.

## **background**

Ms W says that Studio made an administrative error which resulted in her being pursued for a debt owed by a person with a similar name. She says that in spite of numerous contacts with Studio about this, and confirmation from it that it had resolved the problem, the debt still showed up on her credit file and she continued to receive contact about it from debt collectors.

Studio accepted that it had failed to remove an address link for the debt, which had resulted in Ms W continuing to be wrongly associated with the debt. It apologised and sent her a cheque for £125. Ms W did not feel that went far enough to resolve things fairly, and brought her complaint to this service.

An adjudicator investigated the complaint. From the evidence, the adjudicator was satisfied that the mistake by Studio affected credit applications that Ms W had made as well as causing her trouble and upset. The adjudicator recommended that Studio should pay a further £175 (making a total of £300) to settle the complaint.

Studio said it felt the recommended award was too high, but accepted there had been failings on its part and offered a total of £200. The adjudicator remained of the view that Studio should pay £300, and Ms W did not want to accept its lower offer. Given that, the complaint was sent for review and decision by an ombudsman.

## **my findings**

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

The problem with the debt being wrongly linked to Ms W began in 2012 and, after Ms W pressed Studio to take action, it said it had put things right. But the problem recurred in 2015, when Studio sold the debt. I'm satisfied that this was because Studio had not been thorough enough in 2012.

Ms W has provided a copy of her credit file, to show that there was no other adverse credit information that would account for the problems she had with the credit applications. So I'm satisfied that it was the failing by Studio – rather than some other factor – that affected those applications.

Taking everything into account, I find that the total compensation of £300 recommended by the adjudicator is broadly fair and I am not minded to award a different figure.

I would stress that my decision and award cover only the events to date. Studio has told us that it has now put things right properly but, if that proves not to be the case, then any future recurrence of the problem may be treated as a new complaint.

**my final decision**

My final decision is that Express Gifts Ltd (trading as Studio) must pay Ms W a further £175, making a total of £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 12 September 2016.

Jane Hingston  
**ombudsman**