

complaint

Mr N complains that Moorcroft Debt Recovery Limited contacted him regarding a debt which doesn't belong to him.

background

In May 2018 Mr N received a letter from a bank advising him that his debt had been passed to Moorcroft.

Mr N says he's never held an account with the bank and doesn't owe a debt. He says he queried this with the bank and was advised that he wasn't on its customer database.

Mr N says despite this, Moorcroft continued to chase him for the debt. He says he's asked Moorcroft for evidence that he owes the debt but it hasn't provided any.

Moorcroft says it's the bank which is seeking recovery of the debt and it is simply assisting. It says it received the information about Mr N in good faith and had no reason to believe it was incorrect.

Mr N wants Moorcroft to stop pursuing him for the debt. He complained to this service.

Our investigator upheld the complaint. She said the information held by Moorcroft was inconsistent with the information provided to this service and concluded that the debt didn't belong to Mr N. The investigator felt that Mr N should be paid compensation.

Moorcroft said that Mr N's account and unpaid balance would remain on its system at the bank's request, but that recovery instructions would be put on hold.

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've reviewed the letters sent by Moorcroft to Mr N. The first letter is chasing him for the debt and the next two letters say that Moorcroft won't contact him whilst his query is being investigated. Despite this Mr N says he received three telephone calls from Moorcroft about the debt during this time. Moorcroft hasn't disputed this.

In looking at a complaint of this type, I'd expect Moorcroft to be able to show that it has taken steps to check that it is asking the correct person for payment. I can't see that Moorcroft has provided any evidence to show that it carried out checks. It has said that it received the account in good faith from the bank. I don't think this is sufficient to discharge the obligation to check that it is asking the correct person for the payment.

As soon as Mr N queried the debt Moorcroft should've contacted the bank to check that the debt was owed and put the account on hold until it received confirmation that Mr N owed the debt.

Although I can see that Moorcroft asked Mr N for some information, I haven't seen anything to suggest that it contacted the bank. The bank advised Mr N to provide information directly to Moorcroft so it could check the information it held. Mr N provided information to Moorcroft

but it couldn't check it against the information it held because it only held very limited information. This shows a breakdown in the line of communication between Moorcroft and the bank and I think Moorcroft could've handled this better.

I've looked at all the information held by Moorcroft and I've compared it to the information provided to this service by Mr N. On balance, there are so many inconsistencies that I don't think the debt is Mr N's. If Moorcroft had carried out sufficient checks I think it would have reached the same conclusion.

As a result of being pursued for a debt which isn't his Mr N has had to spend time trying to resolve the issue. He's done his best to provide information to Moorcroft and has been cooperative. I think Moorcroft should pay compensation to Mr N and take steps to remove Mr N's account and details from its systems.

my final decision

My final decision is that I uphold the complaint. Moorcroft Debt Recovery Limited must:

- Pay compensation of £150 if it hasn't done so already
- Remove Mr N's account and details from its systems

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 16 February 2020.

Emma Davy
ombudsman