

complaint

Mr G complains that Robinson Way Limited is pursuing him for a debt which he says it has now been able to show he is liable for.

background

Mr G entered into a credit card agreement with a third party. He believes he settled the debt in 2012. But he now thinks a payment he made of £5,000 in January 2012 was never credited to his account. He says he moved to a new address in September 2012. A default was registered in 2013 and the debt was sold on at least twice to different creditors. Robinson Way is acting for the current creditor. Mr G complained that it had resumed debt collection activity even though it has not been able to show he owes the money.

The adjudicator did not recommend that the complaint be upheld. She said that:

- Robinson Way had provided a copy of the original credit agreement and some account statements from 2012.
- She thought that this provided strong evidence to show Mr G was liable for the debt.
- Those statements did not cover January 2012, but the further credits received to the account until February 2013 matched direct debit payments from Mr G's bank account.
- She did not think Mr G would have continued to make these payments if he thought that the debt was settled.
- Mr G had not been able to show that the payment of £5,000 had been destined for this credit card account.
- Robinson Way had not responded properly to his letter in January 2016 or told him about its complaint procedure.
- But it had responded to him in March 2016 and then agreed to suspend collections activity while it investigated his complaint.
- Although Mr G had offered to pay the principal balance, excluding any interest or charges since 2012, this was something he would need to discuss with Robinson Way.
- As he was liable for the debt it had not been wrong for it to report the status of this debt to credit reference agencies.

Mr G did not agree. He did not accept liability for the debt but had made an offer of £3,749.11 to settle to avoid court proceedings. He has been in touch with his bank about the payment of £5,000 and maintains that this was to clear the balance. He was not happy that the agreement that has been provided was valid as it was not the signed copy. He did not think Robinson Way had dealt with his questions appropriately.

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 looked at a copy of the credit card agreement from 2007. This gave the source of original direct debit payments as the bank account Mr G was still using in 2012. I've no reason to think that this was not an agreement Mr G entered into, especially as he accepts that he used the card. The basis for the current debt comes from the account statements. I

understand that these were provided to Robinson Way by a third party that held the debt at one point. This is the evidence that has been used to show a debt still exists.

Mr G is unhappy that he has not been given a credit card statement for the relevant month of January 2012. I made a further attempt to get this but it cannot be found. I also note from the available statements that the account continued to be used after that month and purchases of about £1,400 are shown in March 2012. So if I was to accept Mr G's position that the account balance should have been cleared that would mean the account would have had to be in credit at the end of February by at least £1,400. That's not impossible but I'm not clear why that would have been the case if Mr G had intended to settle this in January 2012. And I don't know what the closing balance was in January 2012 or what level of purchases, if any, were made in February 2012. The reason I raise all this is that there are explanations for the outstanding debt that are consistent with the £5,000 payment either being applied or not being applied to this credit card account. I won't be able to resolve that here.

As the adjudicator has said direct debit payments continued for a number of months after January 2012. Mr G says that this was because his mortgage was with the same business as the credit card debt was at the time. He thought these related to that mortgage. It looks to me like this particular business took over the credit card account in March 2008. The copy of the credit record Mr G provided indicates his mortgage was repaid by October 2012. That would be consistent with the date he says he moved in September 2012. But the payments after this were not insignificant at over £100 per month.

The credit card statements are marked with an address that Mr G says he recognised as his at one time. But the bank statements during 2012 he provided went to an address that has not since changed. I'm not clear when the address relating to the credit card account ceased to be available to Mr G. I think it unlikely he did not have access to his statements in early 2012. That's especially as he was continuing to use the credit card to make payments until March 2012 and said he had intended to settle the debt

Taking all this into account I'm satisfied on balance that Robinson Way has been able to substantiate that a debt exists. As a result I can't see that any information it reported about this debt was unfair as it reflected the true position.

It's accepted that it did not deal with Mr G's complaint well. I asked it for details of all its collections activity since July 2015. It provided a copy of a letter it sent to Mr G that month. It does not record that it received the response he says he sent. It tried to call him a number of times in July and August 2015 but did not get a response. The next letter it says it sent was in December 2015 with a further similar one in January 2016. It received a letter from Mr G that month but it was some time before it provided further information to him. I appreciate why Mr G was not happy with its initial response to his complaint and it has apologised for this. I know he will be disappointed when I say that I'm not going to be asking it to do any more.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 November 2016.

Michael Crewe
ombudsman