

complaint

Mr T complains that Arrow Global Ltd (the business) is chasing him about debt that is not his.

background

Mr T was contacted by agents acting on behalf of the business about two outstanding debts. He says that the debts are not his. He says that he has no association with the address that the business has for the accounts on which the debts have accrued. Mr T says that account address that the business has was incorrectly linked to him on his credit file by a communications company which later accepted that Mr T had no association with the address and removed the information.

The business says that the information provided to it confirmed that Mr T had listed the address it had for the accounts in a previous credit card application and so it was satisfied that Mr T had resided at the address. It says it believed it likely that Mr T was the account owner. However, it acknowledged that it had insufficient evidence to confirm Mr T's liability for the debts. Because of this it says it has closed the accounts and instructed the Credit Reference Agencies (CRAs) to delete any information relating to the accounts from Mr T's credit records.

The adjudicator found that there was no link on Mr T's credit file between him and the account address apart from an incorrect entry which had been removed. She said that the business had ignored the evidence that Mr T was not responsible for the debt and said it should pay him £300 for the mishandling of the complaint, his time in chasing the matter and the trouble and upset caused. She also said that the business should enter flags on its system to ensure Mr T receives no further correspondence from the business in relation to the debt.

The business accepted that Mr T had experienced customer service issues with its external agents. It apologised for this but said that £300 compensation was excessive and instead offered to pay £100. It also did not accept that Mr T was not associated with the address it had on its accounts.

Mr T said that he had experienced service issues with the business as well as with its agents and did not accept the business' version of events or its offer. He said he wanted a clear statement from the business that it would not contact him again at his current address about these accounts.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The electoral roll information on Mr T's credit file shows him registered at his current address from October 2000 until the date of the report (September 2014). There are a number of credit searches listed on his file many of which do not record the time he has lived at his current address but a couple that do which state he has lived there for over 20 years.

The business has provided information showing the account address and Mr T's current address as a previous address for its account applications. It also provided evidence that the account address it held was used for a credit card application.

Having looked at the dates when the account address was used these all took place in June and July 2010. The information provided about applications which only showed Mr T's current address shows them to be much less frequent and listed from 2004 to 2014. On balance, I find that Mr T was not associated with the address that the business had for the accounts and that he might have been a victim of fraud in June and July 2010. Because of this, and based on the evidence I have seen, I find that Mr T was not responsible for the accounts with the business.

The business has said that it has closed the accounts and requested that the CRAs remove any information relating to these accounts from Mr T's credit records. This puts Mr T back in the position he would have been had he not been wrongly contacted about the debts.

Mr T has been caused stress and upset through this process. He has had to write on a number of occasions to the business or its agents to explain that he was not the account holder. I accept that being pursued for a debt that was not his would have been very upsetting and worrying for Mr T. I find that based on the information it had the business could have accepted earlier that it should close the accounts. Given that I have found that Mr T is not responsible for the accounts and based on the time and inconvenience he has been caused through this process, I find that £300 is fair and reasonable.

Mr T has asked that the business confirm that it will not contact him again at his current address about these debts. I find this reasonable.

my final decision

My final decision is that I uphold this complaint.

I direct Arrow Global Ltd to pay Mr T £300 compensation and confirm that he will not be contacted again about these debts.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr T to accept or reject my decision before 10 April 2015.

Jane Archer
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