

complaint

Mrs M complains that Moorcroft Debt Recovery Limited is chasing her for repayment of a debt which she doesn't owe.

background

Moorcroft is acting on behalf of a third party who says Mrs M owes it around £700. Mrs M initially set up a payment plan to repay the debt, but then sent Moorcroft a copy of a letter from the third party showing a nil balance on her account.

Moorcroft says the debt arose following direct debit reclaim which took place under the terms of the direct debit guarantee.

Our investigator didn't recommend that the complaint should be upheld. She couldn't conclude that Moorcroft had done anything wrong – it contacted the third party to check the debt was owed and put the account on hold until it received confirmation that Mrs M does owe the amount it says.

Mrs M didn't agree. She said, in summary, that she has a letter confirming a nil balance and the third party won't correspond with her now that it's passed the debt to Moorcroft.

my findings

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

Mrs M does have a letter from the third party where the debt originated saying that there is a nil balance on her account. But it has told Moorcroft that the debt owing is for several historic direct debits which were refunded by her bank under the terms of the direct debit guarantee. It said she still owes the money.

I find that Moorcroft acted fairly and reasonably by putting Mrs M's account on hold while it queried the debt. It has received enough information from the third party to satisfy itself that Mrs M does owe the amount on the account. So I can't find it has done anything wrong by seeking repayment of the debt.

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 Mrs M to accept or reject my decision before 12 June 2017.

Elizabeth Dawes
ombudsman