

complaint

Mr S complains that NewDay Ltd (trading as Opus) didn't follow correct default procedures. And sent him a threatening letter. He'd like a default on his account removed.

background

Mr S says Opus sent him a letter in September 2016 saying it was going to register a default on his account. But he says he'd paid his account in full in March 2016.

In addition he says he found the final response letter Opus sent him in October 2016 threatening.

Opus acknowledges it didn't send a default notice. Or intention to file a default. And can't explain why it didn't do so. It said the default had been applied correctly. It did offer Mr S £25 compensation.

Our adjudicator didn't agree the letter Opus sent in October 2016 was threatening. He felt the default was a true reflection of Mr S's account. But felt that Opus should pay £100 compensation for the inconvenience to Mr S of not following its correct procedures.

Mr S said he would be happy with an increased offer of compensation. And an apology.

Opus didn't accept this view. It felt the £25 compensation it offered was fair. And in line with other awards it had made in similar circumstances.

my findings

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

There's no dispute that Mr S' account defaulted in January 2013 with a default balance of £11,430. Or that Mr S had paid this amount off in full by March 2016.

I can understand Mr S's surprise when in September 2016 he got a letter from Opus giving him notice of its intention to file a default. That must've been all the more confusing since the balance owing showed, correctly, on the letter as £0.00.

Mr S originally said he was complaining about Opus not following its correct procedures. And he wanted the default removed. He's since told us his main complaint is about the letter Opus sent him in October 2016 which he found threatening.

I think I need to cover all of these issues in this response.

Opus has agreed it didn't send out a default notice. Or intention to default as it should've done. Mr S has told us if it had he could've paid off the balance in full. But he hasn't given us any evidence of this. I've seen evidence to confirm Opus did apply the default in 2013 not in 2016 when it wrote to Mr S telling him of its intention to file a default.

From what I've seen I think the default was correctly applied. And at the right time. It's important that credit files are accurate. So I don't think I can reasonably ask Opus to remove the default.

I do think it's appropriate to pay compensation. I agree with our adjudicator that £100 is appropriate as Opus didn't follow the correct procedures. This has put Mr S to some inconvenience to sort this out.

Finally Mr S has said his main complaint is about the letter of 14 October 2016 that Opus sent him. He says he found this threatening.

I've read this letter. It's the final response letter from the business. The letter explains its position but I don't find it to be threatening.

Mr S would also like an apology. It's always difficult to ask for an apology to be given. There's no way of knowing if it's genuine or not. So I am going to leave it to Opus to decide if it wishes to apologise or not

my final decision

My final decision is that I uphold this complaint.

In full and final settlement NewDay Ltd (trading as Opus) should pay Mr S £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 April 2017.

Bridget Makins
ombudsman