

complaint

Mr C complains that Shop Direct Finance Company Limited (SDFC) refused to write off his debts and has harassed him for payment.

background

Mr C has two accounts with SDFC, one opened in December 2009 and the other in December 2010. In May 2018 he wrote to SDFC to ask that it write off the debts which amounted to over £700. He says that he was harassed for payment even when he asked for forbearance. SDFC didn't agree to write off the debts and suggested he enter into a payment plan.

The business says it received no response to that letter so it wrote again. Mr C responded with further information about his situation and the business agreed to charge off the debts. This means that no further interest or charges will be applied and it will not seek payment of the debts or sell them to a debt collection agency. It explained that any payments made by Mr C would be accepted.

Mr C's complaint was considered by our adjudicators who didn't recommend it be upheld. He thought the business had responded to Mr C's situation in a positive and sympathetic manner by stopping interest and charges and agreeing not to pursue either debt. He also said that SDFC had explained that it was obliged to notify customers of their debts, but since Mr C had requested no contact by phone it had stopped calling him.

Mr C didn't agree and said that he had been facing difficult circumstances in recent years and for the last two years or so he had struggled to cope and to bring up his children on his own. He said he had no way of ever paying off the debts. He said the matter was having a detrimental effect on him. He also said that he had told SDFC on many occasions that he was struggling, but he had been ignored.

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 have every sympathy with Mr C and I can see from his testimony and the evidence he has submitted that he has been facing a very difficult time in recent years. I would expect any financial business to respond to him in a sympathetic and positive manner. I consider SDFC to have done so.

In response to his initial letter when it suggested a payment plan it also asked for further information about his circumstances. When this was received it took the decision not to seek to collect the money owed and not to sell the debt to an agency which might seek repayment. In essence it has said you can't pay us so we won't pursue you for the money. But it has left a window open so that if Mr C's circumstances change he can repay the debts. I appreciate that Mr C says that he will never be able to repay the debts and if that is the case then he will not have to do so. However, it is possible that he may encounter some good fortune and if that occurs I am sure he would wish to clear the debts.

However, for now, and while his circumstances remain as they are he has no need to make any payment. As for the matter of harassment I can appreciate how Mr C feels, but the

business was seeking to collect money it was owed. Once it was told of his circumstances it agreed to stop calls. I have noted that Mr C says he has told call handlers of his situation previously, but I cannot say that the business didn't act appropriately without evidence to support the claim. Therefore, I do not consider I can uphold the complaint, but I trust Mr C is reassured that he need not be troubled by the debts while his circumstances prevent him from paying them.

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 Mr C to accept or reject my decision before 23 April 2019.

Ivor Graham
ombudsman