

## **complaint**

Mrs R complains about the way Hoist Finance UK Limited handled her account and she disputes the amount they say she owes them.

## **background**

Mrs R had an account with a bank which was overdrawn. In July 2016, the bank sold the debt to Hoist.

Mrs R has been repaying the debt on a monthly basis since then. She's been assisted by a debt management charity.

Mrs R contacted Hoist several times to try to establish the amount she owed. She says Hoist provided her with contradictory information at different times. And she says their customer service was poor – for example, they failed to call her back on a number of occasions when they'd promised to do so.

She says Hoist told her she still owed them money – just over £250 – when the debt management charity's records showed she's paid off the debt in full.

Mrs R complained to Hoist. They recognised their customer service had been poor at times and gave Mrs R £67 in compensation. However, they said their calculations of the amount still owed were correct.

Mrs R wasn't happy with this outcome and complained to us. Our investigator looked into it and thought Hoist had done nothing wrong. She thought the compensation Hoist gave Mrs R for poor customer service was fair and reasonable. And she thought Mrs R did in fact owe the amount Hoist said.

Mrs R disagreed and asked for a final decision from an ombudsman.

## **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'll deal with the customer service issues first. Hoist did promise to call Mrs R back on a number of occasions and didn't do so. And they might have been clearer in the information they provided to Mrs R.

I can understand Mrs R's frustration with this. But I don't think the compensation already provided is unreasonable in all the circumstances and given the degree of trouble and upset Mrs R was caused.

In terms of the amount currently owed, we've been provided with records held by both Hoist and the debt management charity. We've also got copies of letters sent by the bank to Mrs R at the time her debt was transferred to Hoist.

I think some confusion may have arisen here because of the transfer of the debt and the timings of various monthly payments. However, both Hoist and the debt management charity agree on three key things.

First, they agree that in February 2016, Mrs R owed over £1,700 to the bank.

Their records also both show that in July 2016, the debt stood at around £1,500.

And their records both show that in total, since February 2016, Mrs R has paid off around £1,500.

In July and August, the bank wrote to Mrs R to tell her the debt stood at around £1,500.

Mrs R says the debt management charity have told her she's paid off the exact amount the bank said was owed when the debt transferred to Hoist in July 2016.

Whilst that's true, unfortunately for Mrs R, that includes payments made before July 2016 which reduced the debt from over £1,700 to around £1,500.

When you add up the payments made between February and July 2016, they come to exactly the same amount as the shortfall Hoist are currently saying Mrs R still owes – just over £250.

All of that makes it clear Mrs R does still owe in excess of £250 to Hoist. The debt management charity's records have a total of just over £1,500 paid on a debt which originally amounted to over £1,700.

I understand confusion can arise when debts are transferred and/or when considering what's owed at a specific time and whether payments were made before or after that date.

However, the debt management charity's records confirm those held by Hoist and the information provided to Mrs R by the bank. And I don't have any reason to suggest they're wrong to say Mrs R still owes then the £250+.

### **my final decision**

For the reasons set out above, I don't uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 2 August 2019.

Neil Marshall  
**ombudsman**