

complaint

Mr L complains that MKDP LLP is chasing him for a debt which he does not owe. He says that the debt relates to an agreement taken out by him and Mrs L but only he is being chased.

background

Mr and Mrs L entered into a credit agreement to acquire a car in 2006. Mr L says that they voluntarily terminated this agreement in 2009 and he was told that there was nothing further to pay. He says that MKDP is now chasing him for an amount of over £2,200 saying that there was a balance outstanding when the agreement was terminated.

Mr L also says that while the agreement was taken out in his and Mrs L's names, only he is being chased for the debt and that letters were sent to his old address at which he has not lived for many years.

MKDP says that the debt is outstanding and it has a right to contact Mr L about this.

The adjudicator explained that this complaint was against MKDP and so any issues Mr L had with the original finance provider would need to be addressed separately. She said that a letter was sent to Mr L in July 2009 detailing his liability and that this was sent to the address on his agreement. She was satisfied that following the termination of the agreement there was an outstanding balance and found it reasonable that MKDP was pursuing Mr L for this. She said that MKDP did attempt to send Mr L a copy of the credit agreement, statements of the account and the liability letter after voluntary termination. Because of this, she felt that it had acted in a fair and reasonable way.

The adjudicator also explained why she did not feel that the debt was statute barred and that when an account is in joint names, account holders are jointly and severally liable and it is up to the MKDP who they choose to pursue for repayment.

Mr L did not accept this and requested an ombudsman to review the case.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. As the adjudicator has explained, this complaint is against MKDP and does not deal with concerns Mr L has regarding the original finance provider.

Following the termination of the credit agreement Mr and Mrs L had entered into in 2006, the finance provider wrote to Mr L providing a breakdown of the outstanding liability. This letter was sent to the address on the agreement. The finance provider's notes also record that Mr L contacted it in October 2009 to say that he had expected the outstanding liability to be around £1,000 rather than over £2,200. Based on this I find that Mr L was aware that there was an amount due after the termination of his agreement.

The agreement was taken out by Mr and Mrs L. However Mr L says that only he is being chased for the outstanding debt. As the adjudicator has explained and as is set out in the terms and conditions of the credit agreement, Mr and Mrs L were jointly and severally liable

for the payments. Because of this it is not unreasonable for MKDP to chase Mr L for the outstanding amount.

Because I find that there was an outstanding amount due following the termination of Mr and Mrs L's agreement and that Mr L was made aware of this, I find it reasonable that MKDP is pursuing him for this debt.

my final decision

My final decision is that I do not uphold this complaint.

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

Jane Archer
ombudsman