

The complaint

Mrs T complains that Freemans Plc has sold a debt she doesn't owe to a third party ("TP"), which is now pursuing her for it. She wants Freemans to acknowledge that no debt was owed to it.

What happened

In November 2013, Mrs T opened an account with Freemans. She bought two items, but said they were never delivered. So Freemans cancelled them from her account.

In January 2014, Mrs T bought another (third) item, which appeared on her account for that month. In February 2014 a fourth item was bought and appeared on her account for that month. Mrs T says she returned these two items at the time through the post office.

She didn't buy anything else from Freemans. So as far as she knew she owed Freemans nothing, and says she didn't receive any further correspondence from Freemans. It seems Freemans sold the debt to TP in 2016, and in 2019 Mrs T started receiving correspondence from TP claiming she owed the debt which by this time amounted to £176.93.

Mrs T complained to Freemans that she hadn't owed it anything because the relevant goods had been returned. When it didn't accept this, she complained to us.

Our investigator didn't recommend that this complaint should be upheld. She said Freemans had provided copy statements that it had sent to Mrs T at the time showing the outstanding balance. She was satisfied these were properly addressed and would have reached Mrs T.

She thought Mrs T should have noticed these statements showed a balance due from her to Freemans. If she disputed this she should have contacted Freemans about this and the returns she said she had made. However, Freemans said they hadn't received any contact from Mrs T.

The investigator said that at this stage she couldn't ask Freemans to remove the debt. Mrs T responded to say, in summary, that she had been in contact with Freemans when she returned the goods in question, both by phone and by letter. Freemans said it was referring the matter to another department, but never got back to her.

What I've decided – and why

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

It is now some six years since Mrs T bought the two items. She hasn't been able to produce any evidence of the items being returned through the post office. Freemans has no record of it receiving back the goods. It says it is now too late for it to investigate whether the goods were received.

Freemans has produced copy statements correctly addressed to Mrs T which it says it sent her from November 2013 up till and including June 2014. I think these would have reached Mrs T and so if she thought she didn't owe the debt shown I would expect her to have taken this up with Freemans at the time.

Mrs T says she did contact Freemans at the time about this, both by phone and by letter. However she hasn't produced any evidence to back this up. And Freemans says it has no record of any contact from Mrs T.

In the absence of evidence to support Mrs T's claim that she returned the goods, and raised the issue of her account at the time with Freemans, I can't say Freemans has acted unfairly in treating the debt as outstanding or in selling the debt to the third party. So I can't reasonably require Freemans to take any action to cancel the debt.

My final decision

My decision is that I don't uphold this complaint, and make no order against Freemans Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 20 May 2020.

Lennox Towers
Ombudsman