

The complaint

Miss R has complained that Lowell Portfolio I Ltd are chasing her for debts she says she doesn't owe.

What happened

Between 2015 and 2017, Lowell purchased three defaulted debts of Miss R's from three different creditors. They purchased some other debts too, but in this decision I've only considered the three accounts with references ending -002, -789, and -042, which were regulated by the Consumer Credit Act.

Later in 2017, Miss R worked out affordable repayments with Lowell for two of these three accounts. But she stopped the repayments after five months.

In 2019, Miss R started sending Lowell emails which attempted to dispute the legal basis of the debt, and which asked for certain documents. Miss R also explained that she was a vulnerable customer.

Lowell put the accounts on hold, sent Miss R details for charities who could give her free help and advice, and transferred Miss R's debts to a specialist team for customers in difficulties. They sent her – where available – the relevant credit agreements and statements, and the notices of assignment. But Miss R said she needed the *deeds* of assignment, and said that unless Lowell sent the deeds, they should write off the debts as they weren't enforceable.

Our investigator looked into things independently and didn't uphold the complaint. He explained that our service couldn't decide the legal enforceability of the debts; only a court could. But as far as he could see, Lowell had bought debts that Miss R did owe, and she had never disputed these debts before 2019. He felt Lowell had treated her appropriately.

Miss R didn't agree. She said she didn't accept these debts were hers, and reiterated that she wanted the deeds of assignment. She asked for an ombudsman's decision, so the complaint's been passed to me to decide.

What I've decided – and why

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I can understand why Miss R would like to make sure that she really does owe these debts to Lowell, as she wouldn't want to pay the wrong company.

Miss R's emails made a number of arguments about the enforceability of the debts. Whether or not the debts are legally enforceable is a matter for a court to decide – that's not something I have the power to determine. But I would warn Miss R that if something seems too good to be true, it often is, and I'd be wary of websites or forums that make big promises about clearing debts using obscure legal arguments. I would strongly recommend that Miss R seeks legal advice from a properly qualified person before attempting to use any of these same arguments in court.

I've looked carefully at the evidence, including a copy of the relevant credit agreements, statements, and notices of assignment. I can see that the account references match, and the original creditors have written to confirm that they sold Miss R's debts to Lowell. There's no compelling evidence which suggests that these are not Miss R's debts. I'm satisfied that they are hers. So I think it's fair that Lowell are chasing her for them.

I can understand if there's been some confusion for Miss R, as from her perspective her contracts were with the original creditors rather than Lowell. But debts can and do get sold on – it's quite normal. And now that Lowell have bought these debts, it means that Miss R owes the money to Lowell instead of the original creditors.

Lowell sent the relevant notices of assignment, which I think are sufficient to show that Lowell now own the debt. I've included another copy for Miss R in case she didn't get them. It's not clear why Miss R also wants to see the deeds of assignment, which are private documents between Lowell and the original debt owners. Lowell explained that the deeds contain sensitive information between them and the creditors. Whereas the deeds do not contain any of Miss R's personal data, and Lowell have no obligation to provide the deeds to her. So I think it's reasonable that they haven't.

I don't think that Lowell have communicated with Miss R excessively or unreasonably. It looks like they've honoured her request to deal with things in writing, and have given her the information they were supposed to. I think it's reasonable for Lowell to ask Miss R to pay back the debts that she owes them. And I've not seen anything in the content, tone, or frequency of their communication that seems inappropriate.

When dealing with a vulnerable customer, I would expect businesses to act positively and sympathetically. But that doesn't necessarily mean writing off the debts or stopping all communication. Here, Lowell have dealt with Miss R in writing as she asked, transferred her accounts to a team specifically for customers in her sort of situation, put things on hold to give her space to work things out, and gave her the details for charities who could give her free and independent debt advice. That seems reasonable.

I hope I can reassure Miss R that Lowell still have a duty to deal with her difficulties appropriately. She might want to contact Lowell and see what assistance they might be able to offer her. I've also sent her the details for those free charities again, in case she'd like to get in touch with them for free advice and help dealing with her debts. And she can always get back in touch with our service as a separate complaint if she subsequently feels that Lowell have not taken her situation into account when working out how to repay the debts.

But as things stand now, I don't think Lowell have dealt with things unfairly, and I think it's reasonable for them to ask Miss R to repay the debts she owes.

My final decision

For the reasons I've explained, I don't uphold Miss R's complaint in this particular case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 10 November 2020.

Adam Charles
Ombudsman