

The complaint

Mr A complains that Hoist Finance UK Limited's agents refuse to accept a settlement for a debt.

What happened

Hoist acquired a debt in Mr A's name from a credit card provider. Mr A has raised concerns about the amount of money the original lender said he owed when the account was closed. Hoist says the outstanding balance is around £1,470.

In December 2018 Mr A made Hoist's agents an offer to settle the debt. Hoist said it would consider Mr A's offer but asked him to complete an income and expenditure assessment. Hoist says that when customers offer a partial settlement, its process is to check the payment is affordable by looking at their income and outgoings. Hoist's agents didn't receive a completed assessment from Mr A.

Mr A asked Hoist's agents to tell him how to settle his debt on several occasions. Mr A complained and Hoist's agents issued a final response in July 2020. The final response said the default Hoist reports will remain on Mr A's credit file for six years from the date the original lender terminated the agreement. It also said Mr A's settlement offer wasn't accepted as he hadn't completed an income and expenditure assessment. Hoist's representatives said if Mr A wanted to make a settlement offer and return a completed assessment it would be reviewed.

Mr A referred his complaint to this service and it was passed to an investigator. The investigator thought Hoist had dealt with the complaint fairly and didn't ask it to do anything else. Mr A didn't agree with the investigator, so his complaint has been passed to me to make a decision.

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.

Mr A has made several complaints about the debt Hoist has acquired. I understand Mr A feels the balance Hoist says he owes isn't accurate. But the balance is in line with the statement information provided by the original lender. I note the original lender and Hoist sent Mr A Notices of Assignment when the debt was sold, both of which confirm the same outstanding balance. I'm satisfied that Hoist's decision to request payment of the outstanding balance from Mr A is fair.

When Hoist acquired the debt, it took over responsibility for reporting it on Mr A's credit file. Hoist has sent us copies of the default notices that were sent to Mr A which match the details it reports on his credit file. I haven't found that Hoist has made a mistake or treated Mr A unfairly by reporting the status of his account.

I can see Mr A is keen to settle the debt and has made a number of offers to Hoist's agents. But Hoist has explained that when it considers settlement offers from customers it has to ensure the proposal is affordable. To do that, Hoist asks the customer to complete an income and expenditure assessment.

I understand Mr A doesn't want to give Hoist that information, but I don't think it's an unreasonable request for it to make. Hoist is free to decide how it operates and what information to request when considering settlements. And Hoist has told us it's important to ensure lump sum repayments are affordable for the customer. I'm sorry to disappoint Mr A, but I think Hoist's request that he complete an income and expenditure assessment is fair and reasonable in the circumstances of his case.

As I'm satisfied Hoist has dealt with Mr A's complaint fairly I'm not telling it to take any further action.

My final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 April 2021.

Marco Manente
Ombudsman