

The complaint

Mr B complains that Intrum UK Limited has been chasing him for a debt which he has already settled. Mr B wants Intrum to stop making contact about the debt and amend his credit file.

What happened

In early 2018, Intrum bought a debt in Mr B's name from a business that I will refer to as "T".

Mr B complained to Intrum in March 2020. He said that it was ignoring his request to cease and desist contacting him about the debt. Mr B said that Intrum would be guilty of harassment if it continued to ask him to repay the debt.

Mr B said Intrum had ignored his claim that the debt has been settled and removed from his credit file. Mr B asked for the deed of assignment between Intrum and T either under the Companies Act 2006 or the Law of Property Act 1925.

The investigator didn't recommend that Mr B's complaint be upheld. She didn't think Intrum needed to give Mr B a copy of the deed of assignment. She didn't think that it was unreasonable to ask Mr B to repay the debt even after he had sent the cease and desist letter. And the investigator hadn't seen evidence to show that Mr B had repaid the outstanding debt.

Mr B raised several legal arguments in response to the investigator's views. But he helpfully summarised his key points. Mr B says it's an unfair practice on the part of Intrum to keep asking for payment after he said he wouldn't pay anything until it proved its claim. Mr B says the debt doesn't exist or has been paid in full. Mr B says that Intrum doesn't have proof of claim as it needs to produce a deed of assignment with four signatures.

Mr B says that Intrum is in breach of the regulations concerning data protection and doesn't respect his contact preferences. He is unhappy that Intrum continues to ask him for payment when he disputes the account.

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.

I realise that I have summarised this complaint in less detail than the parties and I've done so using my own words. I'm not responding to every single point made by the parties involved. I don't intend any discourtesy by this. Instead I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do this.

We offer an informal and impartial dispute resolution service as an alternative to court. And we don't have the same powers as court. But whilst I don't apply the law directly, I do take account of it.

It's not a matter for this service to decide whether a debt is legally enforceable. That is for the courts to decide. I consider that Intrum has reasonable grounds to believe that Mr B owes the money. And I'm satisfied that Intrum owns the debt as it sent Mr B a notice of assignment when it took the account over from T. Although Mr B would like to see the deed of assignment, I can't say that it's unreasonable of Intrum not to give him a copy.

As a regulated business, Intrum must follow the rules set by the Financial Conduct Authority (FCA). Its handbook known as CONC explains what a business should do when it buys a debt. The relevant rule is:

CONC 6.5

- (1) Where the rights of a lender under a regulated credit agreement are assigned to a firm, that firm must arrange for notice of the assignment to be given to the customer;

- (a) as soon as reasonably possible;

The terms of Mr B's agreement with T allowed it to transfer its rights and duties to another company. I'm satisfied that Intrum gave notice of the assignment to Mr B when it wrote to him in February 2018. I know that Mr B has asked Intrum to prove that the notices were delivered. I appreciate that given the passage of time, Mr B might not recall receiving them, but I'm satisfied that notices from T and Intrum were sent to his current address. There wasn't any obligation on Intrum to send the notices by recorded mail for example. And I can't hold Intrum responsible for any failure in the postal service.

In 2019, the High Court decided that where two parties to the assignment (here that's T and Intrum) consider the debt to have been validly transferred – and notify the debtor – that's enough for the assignment to be considered valid. And for the new owner to acquire the right to collect the debt. It follows that I don't require Intrum to provide the deed. If Mr B still wants to see a copy of the deed of assignment, he would have to make an application through the courts.

The FCA sets rules for businesses to follow when collecting debts. It expects businesses to treat people in financial difficulties fairly and with "forbearance and due consideration". And the business must take additional safeguards if its aware of a customer's vulnerability.

Although Mr B asked Intrum to "cease and desist" from contacting him about the debt, I can't say that this means it should be prevented from asking him to repay a debt that it now owns. The letter doesn't have any legal force which requires Intrum to act upon it.

Mr B has referred to 2g of the Debt Collection Guidance in support of his argument that it's an unfair business practice on the part of Intrum to ask him for payment after he sent the cease and desist letter. I assume Mr B is referring to the guidance published by the Office of Fair Trading (OFT). I do not intend any disrespect to Mr B, but this guidance is no longer in force as the regulator is now the FCA and not the OFT. And even if this wasn't the case, the guidance refers to the way someone is contacted rather than stopping contact entirely. The section that Mr B quotes talks about ignoring a request not to make contact during a certain time of day – for example if the debtor is a shift worker. I don't consider this meant that a creditor must stop all contact if requested.

I haven't seen any evidence to suggest that Intrum has done anything wrong when asking Mr B to repay the debt. The level of contact hasn't been excessive in nature. I appreciate that Mr B would prefer Intrum to stop asking him for payment, but I can't reasonably require it to do this.

Mr B says he lives in a shared property and Intrum isn't respecting his contact preferences. If this means there is a specific way in which Mr B should be contacted, I invite him to let Intrum know

Mr B says that T removed its entry from his credit file which indicates that the debt has been settled. I appreciate that the credit reports that Mr B has provided don't include any reference to T. It's possible that T removed its entry when it sold Mr B's debt to Intrum. But I don't find that this means that Mr B settled the debt with T. Particularly as T's notice of assignment addressed to Mr B and dated 9 February 2018 refers to the balance being due. Mr B hasn't given us evidence that he settled the debt with T direct.

The notice of assignment refers to Mr B having agreed a repayment plan with T which Intrum said could continue. And Intrum says it did receive a total of £10 from Mr B. This isn't consistent with Mr B saying he believes the debt didn't exist.

As Intrum has bought Mr B's debt, I can't find that that it has done anything wrong when it has retained information about him. Mr B raised concerns about Intrum's compliance with the General Data Protection Regulation (GDPR). This is the legislation which protects how people's data is used and gives individuals more rights and control over how an organisation uses their data. It's not the role of this service to decide whether a business has breached the GDPR. That would be for the regulator, the Information Commissioner's Office (ICO) to decide. I leave it with Mr B to bring his concerns to the attention of the ICO if he wishes.

Mr B says that T was irresponsible to lend him money but as the investigator explained, this is something he should direct to T as the original creditor making the decision to lend.

I appreciate that my decision will disappoint Mr B as he has gone to a great deal of effort to put forward his arguments. But overall, I don't consider that Intrum has dealt with things unfairly and I think it's reasonable for it to ask Mr B to repay the debt he owes.

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 B to accept or reject my decision before 7 July 2021.

Gemma Bowen
Ombudsman