

The complaint

Mr B has complained that Lowell Financial Ltd are chasing him for a debt he says he doesn't owe to them.

What happened

In 2020, Mr B's credit card account was sold from the original creditor to Lowell. Lowell wrote to Mr B to let him know that they'd bought the debt, and that they'd like to work out repayments which were affordable for him.

Mr B sent Lowell a series of letters which attempted to dispute the legal basis of the debt, and which asked for certain documents.

Lowell explained their legal position and sent Mr B the documents they were required to, such as the credit agreement and statement of account. And they'd already sent him the notice of assignment. But Mr B said he wanted the *deed* of assignment, and he felt that without it, Lowell could not prove he owed them any money.

Our investigator looked into things independently and didn't uphold the complaint. They explained that Lowell had sent the appropriate documents to show they owned the debt, and they didn't have to send Mr B a deed of assignment.

Mr B didn't agree. He said he hadn't signed any contract with Lowell, and he felt pressured and harassed by them. The complaint's been passed to me to decide.

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 can understand why Mr B would like to make sure he really does owe the money to Lowell, as he wouldn't want to pay the wrong company.

Mr B's correspondence made some arguments about the enforceability of this debt. Whether or not the debt is legally enforceable is a matter for a court to decide – that's not something I have the power to determine. But I would warn Mr B 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 Mr B seeks legal advice from a properly qualified person before attempting to use any of these same arguments in a court.

I've looked carefully at the evidence, including Mr B's signed credit agreement, the statement of account showing his previous transactions, and the notice of assignment. I can see that the account references match, and the original creditor wrote to confirm they'd sold Mr B's account to Lowell. And there's no compelling evidence which shows that this is *not* Mr B's debt. I'm satisfied it is his. So I think it's fair that Lowell are chasing him for it.

I can understand if there's been some confusion for Mr B, as from his perspective his contract was with the original creditor, and he didn't sign a new one. But debts can and do get sold on – it's quite normal. And there was no requirement for him to sign a new contract with Lowell. Lowell bought the debt from the original creditor legitimately, and that means that Mr B now owes the money to Lowell instead of the original creditor.

Lowell sent the relevant notice of assignment, which I think is sufficient to show that they now own the account. It's not clear why Mr B also wants to see the *deed* of assignment, which is a private document between Lowell and the original debt owner. The deed contains sensitive information between Lowell and the original creditor, but would not contain anything Mr B needs to see, and Lowell do not have any obligation to provide the deed to him. So I think it's reasonable that they haven't.

I don't think Lowell have communicated with Mr B excessively or unreasonably. It looks like they've honoured his request to deal with things in writing, and they gave him the information they were supposed to. I think it's reasonable for Lowell to ask Mr B to pay back the debt he now owes them. And I've not seen anything in the content, tone, or frequency of their communication that seems inappropriate. For example, their opening letter to Mr B set out that they knew dealing with debts could be stressful, that they'd listen and not judge, that they'd be happy to give Mr B time to work things out, and that they only wanted payments that were affordable for him. That seems very reasonable to me.

I hope I can reassure Mr B that it is quite normal for debts to be bought like this, and that Lowell still have a duty to deal with him appropriately. He might want to get back in touch with Lowell to see what assistance they can offer him in repaying the money he owes. I've also sent Mr B the details for charities who can give him free advice and help in dealing with debts. And he can always get back in touch with our service as a separate complaint if he later feels that Lowell aren't taking his situation into account when working out how to repay the debt.

But as things stand now, I think Lowell have acted fairly, and I think it's reasonable for them to ask Mr B to repay the money he owes.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 May 2021.

Adam Charles
Ombudsman