

The complaint

Mr M and Mrs R complain that Intrum UK Limited is asking them to repay a debt that they don't owe.

What happened

In 2009 Intrum took over ownership of a loan debt that it says Mr M and Mrs R owed to a business that I will call "C". In 2011, Mr M and Mrs R agreed to give Intrum a legal charge over their house to secure repayment of the debt.

Mr M and Mrs R say that the loan had nothing to do with them. They say that Intrum told them to set up a payment plan to allow time to sort things out. Mr M and Mrs R say that C told them it had no knowledge of them.

The investigator didn't recommend that Mr M and Mrs R's complaint be upheld. She set out a detailed history of what had happened since Intrum bought the debt from C.

In summary, after Intrum bought the loan account in 2009, it sent Mr M and Mrs R a notice of assignment. Intrum says Mr M contacted it about a payment arrangement and said it should speak with a debt management business that I will refer to as "S".

Intrum only received one payment so it appointed a third-party debt collector to deal with the account. For ease, I will only refer to Intrum throughout my decision even if sometimes a third-party was taking the action.

Intrum says that Mr M asked it to deal only with Mrs R. He believed that payments were being made through S. Intrum didn't have third party authorisation to deal with Mrs R so it contacted Mr M.

Intrum went on to start insolvency proceedings. Mr M and Mrs R made repayment offers which Intrum declined.

In 2011, Intrum, Mr M and Mrs R entered in to a legal charge to secure the outstanding sum against their property. In 2020 Mr M and Mrs R complained to Intrum to say they had no knowledge of the debt and hadn't heard from Intrum in several years.

Mr M and Mrs R were very unhappy with the investigator's recommendation. They explain the emotional and physical impact that this has had on them. Mr M and Mrs R are very concerned that they are about to lose their home.

The investigator thought there was enough evidence to conclude the debt belonged to them. She was satisfied that Intrum had approached C to find out more. And that if Mr M and Mrs R remain unhappy about the debt, they should approach C as the original lender.

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'm aware that I have summarised Mr M and Mrs R's complaint. I hope that they understand I am not being dismissive of the points they've made, but this reflects the informal nature of our service. I want to assure Mr M and Mrs R that I have read everything they have sent to us. I hope they will understand if I don't address every comment made. I intend to concentrate on what I consider is key to this complaint.

I'm very sorry to hear about the difficulties that Mr M and Mrs R have experienced over an extended period. I can see how upset they are and how strongly they feel about the issues they have raised in this complaint. My role is to decide whether I think Intrum made a mistake or treated Mr M and Mrs R unfairly. And if it has, what it should do to put things right.

I should also say that I can't make findings about anyone other than Intrum. Where the evidence is inconclusive, I reach my decision on the balance of probabilities. That means I'll look at all the available evidence and decide what I think is most likely to have happened.

I appreciate that Mr M and Mrs R say they never took out the loan with C. And that they only set up a payment plan with Intrum to give them time to sort things out. But the evidence that we've been given indicates that Mr M and Mrs R entered in to a loan agreement with C in July 2006. The agreement contains both their names and current address and is signed and dated.

A statement of account dated 19 October 2009 provided to Intrum by C shows that Mr M and Mrs R made monthly payments against the loan from September 2006 to September 2008. The statement is addressed to Mr M and Mrs R at their current address. We also have a copy of the notice of assignment that Intrum sent to Mr M and Mrs R in early 2009.

The weight of evidence strongly suggests that Mr M and Mrs R entered in to the loan agreement with C and that there was a balance outstanding. I consider it reasonable of Intrum to conclude that Mr M and Mrs R owed money to C when it bought the debt.

I understand that Mr M and Mrs R say they've been told more than once by C that they don't owe it any money. Mr M and Mrs R also have a letter from S dated October 2010. This says C confirmed the loan has nothing to do with Mr M and Mrs R and that the account had been closed and Intrum has been informed.

This is at odds with what C has told Intrum about the loan account. In January 2021, C confirmed to Intrum that it didn't tell Mr M and Mrs R or any third party that they didn't owe money on the loan account. And I can't see anything on Intrum's system notes that suggest C made contact to say the loan didn't belong to Mr M and Mrs R. This makes it difficult for me to conclude that the debt has been written off or that C agrees it had nothing to do with Mr M and Mrs R.

Mr M and Mrs R have made allegations about Intrum including threatening behaviour and that C pulled all accounts from it. Although I appreciate that it was upsetting for Mr M and Mrs R to be subject of insolvency proceedings, I can't say that Intrum threatened them. And Intrum denies that C pulled accounts from it. Even if this had happened though, my role is to consider this individual complaint, so I can't say that would make a difference to my decision.

Mrs R has asked why Intrum let things go on for so long if it had the proof that they owed the money. From reading Intrum's contact notes over the years, it seems that there were periods when Mr M and Mrs R were trying to enter in to an individual voluntary arrangement. After this wasn't approved, Intrum continued with insolvency proceedings which ultimately led to Mr M and Mrs R agreeing to the legal charge. Following this, Intrum has sent out annual

statements. I can't say that Intrum has done anything wrong in its dealings with Mr M and Mrs R.

Mr M and Mrs R have given us details of the struggles they faced with various parties including the court, S, a firm of solicitors and an insolvency practitioner. But as I've said above, I can only consider Intrum's actions – not those of anyone else. Therefore, I don't comment further on them.

Taking everything into account, I'm satisfied there's enough evidence to show that Mr M and Mrs R are liable for the outstanding debt. I can't reasonably conclude that Intrum is wrong to ask them to repay the debt. And Intrum has taken reasonable steps to address Mr M and Mrs R's concerns with C. It follows that I don't uphold this complaint. I'm sorry that this is likely to disappoint Mr M and Mrs R.

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 M and Mrs R to accept or reject my decision before 8 July 2021.

Gemma Bowen
Ombudsman