

The complaint

Miss Y complains Lowell Financial Ltd are asking her to repay debts that aren't hers. A representative has helped Miss Y bring this complaint, but for simplicity I'll just refer to her in this decision.

What happened

Miss Y started receiving contact from Lowell regarding a debt they said she owed. She said she'd never taken out any credit, so this wasn't her and Lowell were harassing her which, given she had some medical issues, wasn't OK. So, she asked us to look into things.

We contacted Lowell on Miss Y's behalf to raise her complaint, and Lowell replied to Miss Y directly. They said they'd bought the accounts, and when they didn't get any contact from the details they'd been given by the original owners of the accounts, and the credit reference agency, they carried out a trace. As a result of that, they were given contact details for someone with the same name, and date of birth, as Miss Y. So, they started to get in touch asking for repayments for the outstanding accounts. They looked at the contact they'd made trying to get in touch with Miss Y – but didn't think it was excessive or constituted harassment.

Lowell added that they'd removed the phone numbers they had for Miss Y, though she'd not confirmed the correct one. And although Miss Y wants them to stop contacting her, Lowell said they have to continue contacting her for a debt they believe to be hers. They added they couldn't see it was recorded incorrectly and the default was registered by the original providers. There were three accounts mentioned, but only two of which Lowell said we could look into because of the relevant rules.

Miss Y wasn't happy with the overall response, reiterating these debts aren't hers and said Lowell clearly have either the wrong Miss Y or someone has opened the accounts fraudulently in her name. So, she asked us to look into things.

One of our investigators did so. She confirmed with Miss Y we could look at two of the accounts, but not the other as it wasn't covered under the rules we're required to apply. Miss Y accepted that, so the rest of our investigators review was focused on the accounts we can look into. And, having considered everything, she explained she felt Lowell had acted correctly. She said Lowell bought the two accounts in good faith and it wasn't unusual to use a tracing service if the company couldn't get in touch with the owner. She said she'd seen the information and was satisfied it was reasonable for Lowell to rely on this information. She explained if Miss Y thought the accounts had been taken out fraudulently, then she'd need to go to the original providers of the accounts for them to look into things.

Miss Y didn't agree. She said she'd never had a phone contract with the providers, she's never had a phone of the type Lowell are saying she's had, and never lived at the addresses quoted by our investigator. Because of that, the complaint's been passed to me to decide.

Before deciding Miss Y's case, I asked us to share the information Lowell had provided to us for Miss Y's comments. She didn't reply by the deadline set.

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 think it's important to specify exactly what I'm deciding in this case. Miss Y has talked about the accounts being opened fraudulently. I'd like to tell Miss Y I accept that's a possibility – but that's not something I can decide. Lowell weren't the original providers of the accounts they're now asking her to repay. So, I can only consider whether Lowell are acting fairly and reasonably, based on the information I have, in asking her to repay the debt. Our investigator did ask Lowell if they'd spoken to the original providers about Miss Y saying these are fraudulent accounts. Lowell said they hadn't, because there wasn't enough detail to do so. I'm not sure that's entirely unreasonable, as the original providers would most likely need to ask Miss Y for a lot of information to establish matters – and she's already made it clear she didn't want to share any information with Lowell.

So, as I've said above, I need to decide if Lowell have acted fairly – and to do that I'll look at the information they've gathered.

This includes a screen shot showing addresses linked to Miss Y's current address where Lowell have contacted her. And it's clear they got her mobile phone number as well through this tracing process, as Miss Y isn't happy with that contact. In addition, Lowell have said the date of birth is the same for Miss Y as the person who took out the accounts, and it's the same name.

Now, as I said above, I accept it's possible Miss Y has been the victim of fraud as she's mentioned. But I think there's enough information here for me to be satisfied Lowell could ask her to repay the debt.

I also note Miss Y is unhappy with Lowell's contact, which she's said was harassing. But I've looked at their contact with her, and from my review it seems they're simply asking her to get in touch to repay a debt they believe she owes. She's said this contact is deteriorating her health – and I'm genuinely sorry to hear how this situation has impacted her. But I think Lowell's contact hasn't been unreasonable in asking Miss Y to repay the debt.

I note she's also asked Lowell to remove the default. Lowell have said the default was applied before they bought the account, so if Miss Y has any concerns about the default, this would need to be raised to the original providers. And, given Miss Y's concerns about these accounts being fraudulent, if the original providers agree these were fraudulent applications then they may remove the defaults as part of that review.

Our investigator said the other account wasn't one we could consider. I'm not sure I have enough information to confirm that. But, as I've found Lowell haven't acted unfairly, I think it's very unlikely I'd uphold any complaint about the remaining account if I were to consider it.

My final decision

For the reasons I've explained above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 9 June 2021.

Jon Pearce
Ombudsman

