

## **The complaint**

Mr D complains about the way that Lowell Financial Ltd (Lowell) has handled the collection of a debt in his name.

## **What happened**

Mr D owed money to a business I will refer to as C. In 2018, C sold the debt to Lowell Portfolio I Limited which in turn appointed Lowell to manage on its behalf. I will continue to refer to Lowell throughout my decision.

Mr D contacted Lowell in May 2022 to say the debt was statute barred as it was more than five years old. Lowell disagreed as it said it had received a payment of £15 from C towards the debt in April 2018. Mr D then said he'd never taken the account out in the first place.

Mr D is unhappy that Lowell can't provide details of the alleged payment which he disputes making. Mr D is also unhappy that after Lowell placed his account on hold, it still contacted him to ask him to complete paperwork.

Lowell recommended that Mr D ask C for details of the bank account used to make the payment as it doesn't hold this kind of information.

The investigator didn't recommend that Mr D's complaint be upheld. She thought Lowell acted reasonably when it raised a query with C and put Mr D's account on hold.

Mr D is unhappy with the investigation outcome. He says that one of the points he'd made hasn't been investigated.

Mr D says after Lowell took the debt over, it should have enough information to make sure the debt is due and enforceable.

The investigator responded to Mr D's concerns and explained that Lowell wasn't responsible for the management of the account prior to buying the debt from C. The investigator thought Lowell had given Mr D enough information to allow him to ask C for details of the £15 payment.

## **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've summarised this complaint in my own words but our rules allow me to do this. This doesn't mean that I've not considered everything that both parties have provided.

This service can't declare a debt statute barred or unenforceable – it would be for a court to decide this. However, I can consider whether Lowell treated Mr D fairly once he told it that the debt was more than five years old and that the account had been opened fraudulently.

I appreciate that Mr D thinks Lowell hasn't taken his dispute of the debt seriously and is

therefore in breach of the DISP rules but I don't agree. Lowell has provided evidence that it responded to Mr D's concerns about the account having been opened fraudulently and that it's statute barred.

In June 2022, Lowell told Mr D that the account it bought from C was opened in April 2016 and registered to Mr D's current address meaning any correspondence relating to the account would've been sent to Mr D. C also told Lowell that Mr D had made contact in March 2018 to discuss setting up a standing order. And that as the account was defaulted in May 2017 it had been active for more than a year, which wasn't consistent with fraudulent activity. It seems Lowell took Mr D's concerns seriously and dealt with them by asking C for further information. I consider this to have been a fair response on the part of Lowell.

Lowell told Mr D that it had received a payment of £15 from C in April 2018 and that this meant the debt wasn't statute barred. Although Mr D disagrees with this, I'm satisfied that Lowell acted reasonably. Lowell has explained that as the payment was received by C, it doesn't hold details of the bank account used to make the payment. I can see it asked C for this information but it wasn't provided. Lowell suggested to Mr D that he make a subject access request to C. Lowell told Mr D it would place his account on hold for 30 days to give him time to approach C for further details. Again, this seems like a reasonable course of action, so I don't find Lowell treated Mr D unfairly.

I understand that Lowell contacted Mr D for information while it had placed his account on hold. Although unfortunate, I can't see that Lowell made repeated requests and it acknowledged the mistake when Mr D made contact. So, I don't think Lowell needs to take any further action to apologise.

Overall, I'm not persuaded that Lowell has been unreasonable to take the view that Mr D owes the debt that it bought from C. And I'm satisfied that it responded reasonably to Mr D's concerns as and when he raised them. It follows that I don't uphold Mr D's complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 2 February 2023.

Gemma Bowen  
**Ombudsman**