

## **The complaint**

Mrs S complains that Lantern Debt Recovery Services Ltd is unfairly pursuing her for an outstanding debt.

## **What happened**

In March 2022 Lantern purchased a debt in Mrs S' name from another business I'll call C. Mrs S has explained that she had an account with C but it was used to make purchases she didn't authorise. Mrs S has explained that she had problems accessing her online account and that the item purchased wasn't authorised by her or received.

Mrs S complained about C's actions and in 2021 an ombudsman at this service looked at her case. The ombudsman issued a final decision but wasn't persuaded C had made a mistake and didn't uphold Mrs S' complaint.

Last year, Mrs S complained to Lantern and raised concerns surrounding how the debt had come about. Mrs S said she was unfairly being pursued for the debt that had been sold by C. Lantern issued a final response but didn't uphold Mrs S' complaint and didn't agree it had acted unfairly by contacting her for repayment.

An investigator at this service looked at Mrs S' complaint. They said an ombudsman had already considered Mrs S' complaint about C but hadn't upheld it. The investigator explained that we could only consider Lantern's actions from the point it purchased the debt and couldn't relook at the purchases made with C. Mrs S asked to appeal and forwarded information relating to how the debt had come about with C. As Mrs S asked to appeal, her complaint has been passed to me to make a decision.

## **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've been brief in setting out the background above as all parties broadly agree concerning the timeline for Mrs S' case. I understand Mrs S feels her complaint about C remains unresolved and has told us she didn't receive the item she's been charged for. But here, I'm only looking at Lantern's actions once it acquired the debt in March 2022. Another ombudsman has already considered Mrs S' complaint about C and issued their final decision. That final decision related to the circumstances under which the debt came about the problems Mrs S has raised concerning C's systems, whether she was hacked, the credit limit and whether the item was received. I'm not going to comment further on these points in this decision as they've already been covered in the other decision.

Focusing on Lantern's action, when it purchased the debt from C it sent Mrs S a Notice of Assignment confirming the new arrangement. C also sent a Notice of Assignment that confirmed the debt had been sold to Lantern. Those are steps required under the rules both businesses operate under.

Mrs S went on to dispute the debt with Lantern and it contacted C on that basis. I can see that C responded and provided a copy of the final decision issued in 2021 that showed it had investigated Mrs S' complaint and that she remained liable for the outstanding balance. When a consumer disputes whether a debt is legitimate, we'd expect the new owners to raise a dispute with the original lender. I'm satisfied Lantern has done that in this case and received confirmation from C by way of the ombudsman's decision that the balance is legitimately owed and remains outstanding.

I'm sorry to disappoint Mrs S but as Lantern has raised the dispute with C and confirmed the balance is legitimately owed, I'm not persuaded it's acted unfairly by contacting her to request repayment. As I'm satisfied Lantern dealt with Mrs S' complaint fairly, I'm not telling it to do anything else.

### **My final decision**

My decision is that I don't uphold Mrs S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 17 April 2023.

Marco Manente  
**Ombudsman**