

The complaint

Mr D complains about the actions of Lowell Financial Ltd when it took over the management of a debt.

What happened

Mr D complained to Lowell because he felt the Notice of Assignment (NOA) letters appeared to have been sent by the original lender, but he says he found out the letters had actually been sent by Lowell – and he says the original lender had no knowledge of the letters being sent or the debt being sold.

Mr D also complained about a phone call he had with Lowell. Saying that he was given conflicting information on the phone about the new owner of the debt.

Lowell responded to Mr D's complaint to confirm who the new legal owner of the debt was, and that Lowell had been instructed to manage the debt on behalf of the debt owner. It also explained that the letter attached to the NOA had been written by Lowell, but under the guidance and consent of the original lender – so it didn't think it had done anything wrong. However, it did offer to pay Mr D £50 because it agreed he was told on the phone that the letter was sent by the original lender when it had been sent by Lowell.

The Investigator didn't uphold Mr D's complaint. They didn't think Lowell had done anything wrong and explained they weren't aware of any rules that prevented Lowell from sending a response on behalf of the original lender. They also thought the £50 Lowell paid Mr D for the misinformation in the phone call was sufficient.

Mr D responded to the Investigator to say that it wasn't clear from the information he received which part of Lowell his debt had been sold to. He said he doesn't think it is right that the debt is purchased by Lowell Group and given to a different area of the group to manage. However, the Investigator explained that they still didn't change the outcome of Mr D's complaint.

Mr D didn't agree and so the complaint has been passed to me.

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.

Having considered everything on file, I'm not upholding Mr D's complaint.

Mr D has raised a very similar complaint with this service previously – where an Ombudsman decided on the issue. The previous Ombudsman explained:

“Mr D feels Lowell Financial shouldn't have sent the original lender's NOA, but I'm not aware of any rule or regulation that says it can't take that step. Lowell Financial has confirmed there is an arrangement with the original owner of the debt that means it will send out the NOAs

together. That's a step it's entitled to take.

Both NOAs explains that the new debt owner is [name of debt owner removed] and that Lowell Financial Ltd would be the business administering it and contacting Mr D. I'm satisfied the NOA dated 15 October 2019 clearly explains the new arrangement and what Mr D needed to do.

Mr D has asked Lowell Financial to send him evidence that the original lender has agreed to allow it to send NOAs out on its behalf. But I wouldn't expect Lowell Financial to send its customers copies of correspondence between it and the original lender detailing the arrangements between them. I'm satisfied that Lowell Financial has now correctly explained why it sent Mr D the original lender's NOA.

Mr D says he remains concerned that [name of debt owner removed] isn't the owner of the debt. I appreciate Mr D's concerns, but I'm satisfied the evidence I've seen shows the debt was acquired by [name of debt owner removed] on 23 September 2018 and that it is the owner."

While I accept this is a different case, the circumstances are similar. And I agree with the comments the Ombudsman has made here.

I can see a NOA was sent to Mr D in relation to these accounts on 22 September 2022 and 23 September 2022. The letter sent by Lowell on behalf of the original lender clearly states who the new owner of the debt is and that Lowell Financial would be managing the debt. While I understand this was sent by Lowell on behalf of the original owner, I'm not aware of any rules which stipulate that it can't do this.

It's difficult to find that Mr D has suffered any distress or inconvenience here – especially given that he was already aware of Lowell's process in relation to the NOA letter from the last decision he received on the matter. And that Ombudsman explained that the process it followed wasn't unreasonable.

Lowell accepted that it had provided Mr D with incorrect information in a phone call and paid Mr D £50 to apologise. Given what I've said about Mr D already having been aware of Lowell's process here, I think it's unlikely he's been overly inconvenienced or distressed by the information he got on the phone call. And the £50 Lowell has already paid Mr D is more than I would have awarded in these circumstances.

My final decision

For the reasons set out above, I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 July 2023.

Sophie Wilkinson
Ombudsman