

The complaint

Mrs K complains about the way that Lowell Financial Ltd (Lowell) has managed the collection of a debt in her name.

What happened

Lowell Portfolio I Limited bought an outstanding debt in Mrs K's name and appointed Lowell to manage collection on its behalf. The debt was originally in the name of a business I will refer to as P.

Lowell started to try and collect the debt in late 2021. After Mrs K raised concerns that P had lent her money irresponsibly, Lowell referred these concerns to P and placed the account on hold.

Mrs K has raised a separate complaint with this service about the actions of P.

Mrs K is unhappy that in January 2023, Lowell contacted her about the debt several times within a short period. Mrs K says that she found this very stressful, particularly given her precarious employment position.

Mrs K says Lowell knew she had a dispute with P about the alleged debt. Mrs K asks what Lowell did to check with P about the debt before it bombarded her with contact.

The investigator didn't think Lowell acted unreasonably when it asked Mrs K to repay the debt. The investigator said Lowell had placed the account on hold for almost a year during which time P hadn't confirmed the debt wasn't due or that it had lent irresponsibly. The investigator said that since December 2021, Lowell hadn't sent Mrs K more than ten communications so didn't think Lowell's contact was excessive.

Mrs K disagrees with the investigation outcome. She points out that her complaint was about the frequency of Lowell's contact in January 2023. Mrs K says Lowell contacted her about the debt five times between 2 January and 12 January 2023. Mrs K says this left her with no time to seek advice in between contact. Mrs K says the excessive contact contravened Financial Conduct Authority guidance and was intended to be intimidating.

Mrs K says that Lowell continued to contact her without knowing P's response to her complaint and without checking the outcome. Mrs K explains that Lowell's communication negatively impacted her mental health.

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 Mrs K's complaint in my own words but our rules allow me to do this.

Mrs K says that between 2 and 12 January 2023, Lowell sent her five forms of

communication. From looking at the copy emails and letters, it seems that rather than demanding immediate payment, Lowell was inviting Mrs K to make contact to discuss her circumstances with a view to establishing what, if any repayments she could make. Although I can understand that Mrs K found the contact upsetting, I'm not persuaded that the volume or frequency was excessive or designed to intimidate her.

I appreciate Mrs K thinks Lowell should've checked with P before it started to contact her about the debt in 2023 but I'm not persuaded that Lowell acted unreasonably. Back in December 2021 when Lowell notified P about Mrs K's dispute, Lowell placed the account on hold. By the end of 2022, P hadn't withdrawn the debt and neither P nor Mrs K had told Lowell that Mrs K's irresponsible lending complaint had been successful. As a year had passed, I think it was fair for Lowell to assume the debt was still due and that it could restart the collection process.

Once Mrs K contacted Lowell to express her dissatisfaction with the collection process, Lowell investigated and contacted P. I think this was a reasonable response to Mrs K's concerns.

Overall, I don't find that Lowell has treated Mrs K unfairly so I don't uphold her 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 Mrs K to accept or reject my decision before 9 August 2023.

Gemma Bowen
Ombudsman