

The complaint

Mr I complains about the way that ACI-UK Limited (ACI) has managed the collection of a debt in his name.

Mr I wants ACI to accept his settlement offer and write the debt off.

What happened

In 2022, ACI bought an account in Mr I's name. The account was originally held by a business I will refer to as P. Mr I was in financial difficulties and couldn't afford to repay the debt to P. Mr I complained about the actions of P before it went into liquidation. Mr I says that P told him that the debt had been written off.

Mr I is concerned that ACI didn't respond fully to his subject access request (SAR) as it didn't provide call recordings between him and P. Mr I says that if he still has to pay the debt to ACI, this will impact his ability to repay other priority bills. Mr I wants ACI to write the debt off, remove it from his credit file and pay compensation for the stress he's felt.

Our investigator didn't recommend that Mr I's complaint be upheld. She explained ACI will only have limited information about the debt from the original lender. Our investigator didn't think ACI was at fault for not providing call recordings between Mr I and P. She thought ACI had responded to Mr I's SAR within the one-month time limit.

Our investigator told Mr I that ACI wasn't willing to accept his offer of £50 but that he should speak to ACI with any concerns over affordability.

Mr I doesn't accept the investigator's recommendation. He says he approached the liquidator acting on behalf of P but that it's not responding. Mr I is unhappy that P didn't pass all the information to ACI. Mr I doesn't think ACI is acting fairly and says that it's not the legal owner of the debt as his agreement was with P.

Mr I says that ACI initially agreed to accept £90 to settle the debt and then went back on this. He thinks this proves ACI can't work with the people who owe money to it.

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 less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean I've not considered everything that both parties have given to me.

I'm sorry to disappoint Mr I but I don't uphold his complaint. I'm satisfied that ACI has responded fairly and reasonably to Mr I's concerns over the account. After Mr I asked for a copy of the credit agreement, ACI requested this from P. ACI placed the account on hold until it could provide a copy of the agreement. I think this was fair.

ACI responded to Mr I's SAR with the information that it held – and it did so within a reasonable timeframe. I don't find ACI is at fault for not providing recordings of calls that Mr I says took place with P, as this isn't information I would expect ACI to hold as part of buying the debt from P. Although I appreciate Mr I says P agreed to write the debt off, I don't have enough evidence of this. Without this evidence, I can't reasonably find ACI is wrong to ask Mr I to repay the debt.

During his complaint, Mr I said that he didn't agree to ACI taking over the debt from P. But I'm satisfied that ACI gave Mr I notice that P had assigned the debt at the same time as it told him that it had written off the interest as a gesture of goodwill. So, I think ACI has done enough to show Mr I that it owns the outstanding debt and that it's entitled to try and collect it.

I agree that there was a slightly confusing message from ACI in which it said it had accepted Mr I's payment offer. However, I'm satisfied that ACI quickly clarified that it wasn't willing to accept a settlement offer of £90 but that it would be willing to accept an affordable repayment plan. I think this apology was a fair way to respond. And I don't interfere in ACI's decision not to accept the offer – particularly after it had already reduced the outstanding balance by more than half.

I leave it with Mr I to contact ACI to discuss repayment of the debt. If Mr I does this, I remind ACI to treat any repayment offers that he might make fairly and sympathetically.

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 I to accept or reject my decision before 5 October 2023.

Gemma Bowen
Ombudsman