

The complaint

Mr B complains about being contacted by Credit Resource Solutions Limited (CRS) in relation to a debt with a lender that has gone into administration.

What happened

Mr B took out a loan with a business I'll refer to as N. Mr B has previously referred a complaint about N's actions to this service which was subject to a final decision. In July 2023, an ombudsman decided that N should ensure all interest was removed from its loan, leaving an outstanding balance of £260 to collect.

N later went into administration. In October 2023 N's administrators appointed CRS to collect the outstanding balance of £259.

CRS went on to contact Mr B about the outstanding balance. In January 2024 Mr B contacted CRS and advised that the Financial Ombudsman Service had considered a previous complaint about N's actions. Mr B raised a complaint about CRS's actions as well and said N had gone into administration.

CRS emailed Mr B back and advised that his account had been returned to N and was closed with it. CRS provided Mr B with contact details for N.

CRS issued a final response to Mr B's complaint on 27 February 2024. CRS said it was N's responsibility to notify Mr B it was entering administration. CRS also reconfirmed it had closed Mr B's account with it and returned the debt to N. CRS didn't uphold Mr B's complaint.

Mr B later contacted CRS and made an offer of £100 to settle the outstanding balance with N. CRS retrieved the debt from N and reopened Mr B's account. CRS confirmed N was willing to accept a partial settlement of £100 against an outstanding balance of £259 but says Mr B hasn't gone on to make the payment.

Mr B went on to refer his complaint to this service and it was passed to an investigator to review. They weren't persuaded that CRS had made any mistakes or treated Mr B unfairly and didn't uphold his complaint. CRS confirmed the agreement to settle the outstanding balance remained open to Mr B. Mr B didn't accept the investigator's view and asked to appeal. As a result, Mr B's 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'd like to start by explaining that CRS was appointed by N's administrators to collection the outstanding balance of £259. I've read the previous final decision issued by another ombudsman and I'm satisfied it confirmed the total balance N should be attempting to collect

was no more than £260. So as a starting point, I'm satisfied CRS was seeking to collect a realistic outstanding balance that was owed to N.

When Mr B first raised concerns about debt with CRS it confirmed the account would be returned to N. I can see an email advising the account had been closed and debt returned was sent to Mr B on 23 January 2023. So from that point, CRS' involvement with Mr B ended. I'm satisfied that was a reasonable step for CRS to take after Mr B raised concerns.

The final response dated 27 February 2024 explained it was N's responsibility to notify Mr B it had entered administration and I agree that's the case. I haven't seen anything that indicates CRS made any mistakes or treated Mr B unfairly when responding to his complaint.

Despite closing Mr B's account and returning the debt to N, when he later contacted CRS and made a partial settlement offer it was willing to assist. CRS contacted N, arranged for Mr B's debt to be returned and his account to be reopened. CRS then liaised with N to agree a partial settlement of £100 against an outstanding balance of £259. I'm satisfied CRS acted in line with Mr B's request for a reduced settlement with N and treated him fairly by passing his offer on. CRS' file submission to us confirms the offer remains open to Mr B should he wish to proceed. I should also explain that as CRS doesn't own the debt Mr B is complaining about, it doesn't have the ability to write it off in full. And, as noted above, in July 2023 another ombudsman has already confirmed N (or its administrators) are able to attempt to collect an outstanding balance of £260.

I'm very sorry to disappoint Mr B but as I haven't seen anything that shows CRS has made any mistakes when contacting him to discuss the outstanding balance of his debt with N I'm unable to agree it's treated him unfairly. As a result, I haven't been persuaded to uphold Mr B's complaint.

My final decision

My decision is that I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 October 2024.

Marco Manente
Ombudsman