

## **The complaint**

Mr W complains Moorcroft Debt Recovery Limited are contacting him to repay a debt he says has been settled.

## **What happened**

Mr W had a loan with a company I'll refer to as S. Mr W says he settled his loan with S, but they asked Moorcroft to contact Mr W regarding an outstanding balance. Mr W says as there is no outstanding balance, the contact amounts to harassment. Mr W says he's asked Moorcroft for a copy of the Deed of Assignment (DOA) and has submitted Subject Access Requests (SAR) which haven't been fulfilled. Mr W says Moorcroft haven't proven they're entitled to contact him regarding this debt, he thinks S shouldn't have shared his data with them, and they've not answered his questions.

Moorcroft replied to Mr W's complaint. They said:

- SAR – they replied 17 July 2024 to say they needed to verify his identification. This is in line with their obligations, but they did say sorry for the delay in telling him this.
- Mr W's questions – they've done their best to answer all his questions but have passed some back to S as they can't answer all questions.
- Proven their entitled to contact him – they can't share anything with him until he provides his identification.

Moorcroft did address further issues, but as they're not relevant to this complaint I've not commented on them. Ultimately, Moorcroft accepted they could have handled the SAR issue better, and offered Mr W £50 compensation. They also said they recognised there was a genuine unsolved dispute between Mr W and S, so they felt it was in everyone's best interests to return the account to S – and said they wouldn't contact him again.

Unhappy with Moorcroft's actions, Mr W asked us to look into things. One of our Investigators did so, and overall found Moorcroft hadn't done much wrong, and the £50 for the SAR delays was fair.

Mr W didn't accept this. He provided a substantial response, which I've summarised what I consider to be the key points in my own words:

- There have been ongoing delays regarding the SAR
- It's not appropriate to accept payment from him without identification, but require identification for a SAR
- Once the SAR was completed important documents are missing
- He has new evidence – there was no authorisation for Moorcroft to act on behalf of S, evidence of the debt settlement and his timeline of events to resolve matters

Because Mr W didn't accept the outcome, the complaint's been passed to me to decide.

## 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 think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Mr W's complaint in considerably less detail than he has. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

The crux of Mr W's complaint, based on what I've seen, is that Moorcroft hasn't acted fairly in trying to get him to repay a debt he says has been settled. The secondary issue is about the SAR and whether Moorcroft have acted fairly on this point.

During his complaint, Mr W has referred to a large number of different laws.

I think it'd be helpful to set out the basis on which I'm required to decide cases. The financial regulator the Financial Conduct Authority sets this out the Dispute Resolution (DISP) rules.

DISP 3.6.1 says:

*The Ombudsman will determine a complaint by reference to what is, in his opinion, fair and reasonable in all the circumstances of the case.*

And DISP 3.6.4 says:

*In considering what is fair and reasonable in all the circumstances of the case, the Ombudsman will take into account:*

*(1) relevant:*

*(a) law and regulations;*

*(b) regulators' rules, guidance and standards;*

*(c) codes of practice; and*

*(2) (where appropriate) what he considers to have been good industry practice at the relevant time*

Putting this into practice, I'm required to take into account the laws Mr W has mentioned. I'm not bound to reach the same outcome as the law may say, because I'm required to decide matters on a fair and reasonable basis.

Before addressing Mr W's concerns about Moorcroft, I need to explain I won't be considering anything to do with S – as this complaint is solely about Moorcroft's actions. I can see Mr W asked us to look into his complaint with S, because they'd told him the 'Tender of Payment' he sent to them wasn't valid, but he'd brought it too late for us to consider.

### *Moorcroft collecting the debt*

From the information I have Moorcroft were instructed by S in May 2024 to begin collecting the outstanding monies S said Mr W owed. I wouldn't usually expect an explicit instruction for Mr W's account only to be created – S will likely have asked Moorcroft to collect on

numerous accounts at the same time – so I don't think it's particularly unusual Moorcroft couldn't provide this kind of evidence. I'd have concerns if S said they hadn't instructed Moorcroft, but I've not seen that S disputed they did instruct them. So I think they were entitled to get in touch with him, and have acted fairly in doing so.

Mr W says for Moorcroft to legitimately collect on this debt then there should be a DOA – and he raised a large number of other points. A DOA is when the account in question has been sold – so Mr W isn't correct when he says there should be a DOA, as his account hasn't been sold to Moorcroft, they're acting on S's instructions. In case it helps, Mr W wouldn't be entitled to the DOA even if one had been issued, as that's a commercial agreement between a seller and the buyer.

Here though, Moorcroft are simply acting as a debt collector on behalf of S to try and recover the outstanding funds S say are overdue.

Mr W disputed this, saying he'd paid off the debt. In those circumstances, I'd expect Moorcroft to raise a query with S to confirm if the balance is or isn't owing.

I can see it took some time for S to reply in a format Moorcroft could share with Mr W, but I can't hold Moorcroft responsible for that. When S did reply, they said the money was still owed. In the circumstances, this is a decision for S to make, so it'd have been reasonable for Moorcroft to continue to ask Mr W for repayment.

But, I can see the only responses Moorcroft sent to Mr W after their initial contact was to reply to his many questions and the complaint points he raised. I can't decide if Mr W has been harassed, as that's a criminal offence, but I think all of Moorcroft's communications have been reasonable in language, tone and content.

Taking all of this into account, I think Moorcroft have acted fairly in asking Mr W to repay the debt – and haven't acted inappropriately towards him when doing so.

#### *SAR and data related issues*

Mr W says Moorcroft didn't process his SAR when they should have.

Moorcroft say Mr W didn't provide evidence of his identification so they couldn't process his SAR – but offered £50 because they should have replied to him within the 30 days allowed but took an extra two weeks.

While I understand Mr W's concerns that Moorcroft are happy to accept payment from him without identification, but then ask for it when he asks for a SAR, I don't agree with them.

If Mr W were to make payments towards the debt S say is outstanding, then I'd expect Moorcroft to ensure they were applying it to the account S said was Mr W's. And if Mr W had agreed to make payments, it'd be reasonable for Moorcroft to accept Mr W didn't dispute the debt.

With Mr W asking for a SAR, he's asking for all the data Moorcroft hold on him, which could include information S shared with them – and also suggests he's disputing the debt. Without identifying him, they can't ensure they're passing the information to the correct party – because Mr W hasn't accepted the debt is owed.

So, I don't think they've done anything wrong in asking Mr W to identify himself – and at the point of the complaint being referred to us, I understand he hadn't done so.

In respect of the delay, I find the £50 is fair and reasonable in the circumstances. I'm required to decide compensation largely based on the impact to the individual. Moorcroft

replied to Mr W two weeks late, and Mr W has chosen not to co-operate in the subsequent communications – so the impact in my opinion is relatively minimal because even if Moorcroft had replied on time, Mr W wouldn't have been much further forward.

Mr W has seemingly since received his SAR, as he says he's got new evidence. The new evidence Mr W has provided is information I've already taken account of – and I'm satisfied it doesn't prove Moorcroft have acted unfairly.

Two issues I haven't considered in this complaint, are ongoing delays of the SAR past 29 August 2024, and the information Mr W says is missing from the SAR.

Both of these issues have arisen after the final response letter sent on 29 August 2024, and our service is only able to look into issues up to and including the date of the final response letter from Moorcroft. So, any delays after 29 August 2024 aren't something I've considered.

I also haven't considered what Mr W has said about missing information for the same reason. Mr W may wish to raise these concerns with Moorcroft directly – and then if he's not happy with their answer we can potentially look into things. I would though just make Mr W aware Moorcroft are allowed, under the Information Commissioners Office (ICO) rules, to withhold certain information. Only the ICO could decide if they've done so fairly, that wouldn't usually be something our service could decide.

### **My final decision**

Moorcroft Debt Recovery Limited have made an offer of £50 to settle this complaint and I think this offer is fair in all the circumstances. So, my decision is Moorcroft Debt Recovery Limited should pay Mr W £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 13 March 2025.

Jon Pearce  
**Ombudsman**