

The complaint

Miss S complains Lowell Portfolio I Ltd are asking her to repay an account she says was fraudulently taken out in her name. She's also unhappy Lowell are reporting this on her credit file.

What happened

My understanding is a loan account in Miss S' name was taken out with a company I'll call N on 11 March 2022. When repayments weren't made to the loan, N defaulted the account on 26 September 2022. In January 2023, they sold the account to Lowell.

Miss S has said Lowell got in touch in 2023 about the account. She says she thought the issue was resolved in 2023, but in October 2024 her mortgage application was turned down because the loan was on her credit file. Miss S contacted Lowell again, and she says this time they registered a complaint when they should have done a year earlier.

Lowell said they aren't party to the opening of an account and need to gather information from the original lender – N in Miss S' case – to investigate. Lowell said Miss S told them she could provide information to show she didn't live at the address used in the loan application – but never provided it.

Unhappy with this, Miss S asked us to look into things. One of our Investigators did so, and found Lowell didn't have to do anything further – as it was for N to investigate the fraud not Lowell.

Miss S didn't accept this, saying Lowell needed to do more than they were. So, 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 Miss S' complaint in less detail than she 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.

What happened in 2023 / early 2024

I understand after the complaint was assigned to Lowell they carried out a trace – and ultimately found records for Miss S at the application address as well as another address – so started contacting her.

Miss S called Lowell on 13 November 2023 and based on Lowell's notes said she'd never lived at the application address – but Lowell told her it was showing on her credit file with one of the credit reference agencies (CRAs).

The note suggests Miss S will send evidence of where she was living at.

The next evidence of contact I have is Miss S emailing Lowell on 19 December 2023. In the email she says:

Hi

I have informed several times that you have wrong information, I never lived in that address, someone used my name.

Now I had enough with this company. I will file case against you and take you to court. This is absolutely mental harassment. Without any homework how cum company like you even sent letters and letters to anyone. I did even call and explain but still. This is not happening. You will get next email after 14 days time. Then will see you at court.

Lowell then replied after Miss S had passed security with the following:

Thank you for confirming the details you requested.

I understand that you have advised that you have not lived at the application address of (redacted). Can you please confirm if you have any connection to this address what so ever?

Having reviewed your file I can also see you spoke to my colleague on the 13/11/2023 and advised the same thing, however when my colleague reviewed your credit file this address was on there. You have then advised you will send in proof of where you was living at the time this was taken out on the 11/03/2022. Once this is received we can look in to this for you.

Please advise on how you would like to proceed moving forward?

Next Steps

- You do have other accounts with outstanding balances with no payment plans in place, you will be able to see those when you log in online www.lowell.co.uk.*
- Contact will continue until you get back in touch with us.*
- I have sent you a link for you to register online valid for 24 hours - if you don't receive it please check your spam/junk inbox*

This response was sent to Miss S on 22 December 8.20am. The next contact I can see showing is a phone call Miss S seems to have made on 26 January 2024. Lowell's internal note says Miss S couldn't get evidence of where she was living at the time of the loan application and instead would seek legal advice.

I've seen no reason to doubt Lowell's evidence, as it broadly tracks with Miss S' content in her emails. I've not seen anything or been provided with anything from Miss S to show she contacted Lowell again after this – until October 2024.

Given the above, I don't uphold this part of Miss S' complaint. As I think Lowell made it clear they were waiting for Miss S to provide evidence – or, based on the last contact – were waiting to hear from her legal representatives.

Have Lowell acted fairly since October 2024

Miss S got back in touch with Lowell on 18 October 2024 repeating the debt wasn't hers. Lowell again asked for evidence of where she was living at the time – and said council tax letters would be acceptable.

The next day Miss S provided copies of her current account statements – but Lowell weren't able to accept them and ultimately set up a complaint. They also contacted N, who said the account hadn't been confirmed as fraudulent – but were looking into things.

I think it's helpful to explain at this point that I wouldn't expect Lowell to investigate the fraud themselves because, as they said, they weren't present at the time. The best party to investigate any allegation of fraud would be the party the loan was taken out with – N.

So, really, what I'd expect Lowell to do is gather any reasonable evidence and raise the query as soon as they reasonably could. In Miss S' case I think they've done that. They asked Miss S for evidence of her address which she didn't provide in 2023 or early 2024 – and it's only in October 2024 she's provided anything. Off the back of that I understand N are carrying out their investigations.

As that's the proper place for Miss S' concerns to be investigated, I've found Lowell haven't done anything wrong – and don't need to do anything more at this point.

In respect of the default, I don't underestimate how incredibly frustrating this must be for Miss S – and I am genuinely sorry to hear of the impact on her mental health. But, until the account has been confirmed as fraud, it wouldn't be right for me to order Lowell to remove it. Lowell are reporting what N did – and will continue to do so unless N says they shouldn't anymore.

Miss S does have two routes of actions she can take at this point:

- Raise a complaint with N about how long they're taking to investigate matters
- Raise a complaint with the credit reference agencies about the address link which is showing on her credit file if she doesn't think that's correct

My final decision

Your text here

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 7 August 2025.

Jon Pearce
Ombudsman