

The complaint

Mr J complains Lowell Portfolio I Ltd refused to listen to him when he told them a debt they were asking him to repay had been taken out fraudulently.

What happened

On 9 February 2021 an account was opened in Mr J's name with a company I'll refer to as N. The account was sold to Lowell on 26 May 2022, and from then on any repayments due under the account were to be paid from Lowell. They got in touch with Mr J to let him know about the sale, and to ask him for repayment.

Mr J called Lowell on 13 March 2024 to raise concerns the account was fraudulent – Lowell put the account on hold and raised this with N, who replied on 7 May 2024 and said they'd not had any fraud concerns raised.

In a response on 13 May 2024, Lowell explained they'd contacted N to explain Mr J had said the account was fraudulent – but N didn't agree it was so they considered the balance owing and valid.

On 4 July 2024 Mr J called Lowell to reiterate he considered the account they were asking him to repay was fraudulent and he wanted to log a complaint. He says they weren't interested in listening to him and presumed him guilty of the fraud – Mr J also says Lowell should have logged a complaint on his call of 13 March 2024.

Lowell replied to Mr J's complaint on 15 August 2024. They said he'd only raised a query on 13 March 2024, not a complaint. And N hadn't confirmed the account had been taken out fraudulently, so overall they didn't think they'd done anything wrong.

Unhappy with this, Mr J referred his complaint to our service to consider.

On 26 September 2024 N wrote to Mr J, and confirmed the account was taken out fraudulently. Mr J shared this with us – and we passed it on to Lowell as it wasn't clear if they'd received it.

Lowell confirmed, once they'd heard back from N, that the account had been confirmed as fraudulent. As such they would remove any default records with the credit reference agencies (CRAs), would transfer the debt back to N, and the account would be closed on their systems. They confirmed while this was happening the account would remain on hold.

One of our Investigators considered things. Overall they felt Lowell had acted fairly in their dealings with Mr J.

Mr J didn't accept this, in a phone call with our Investigator, he said:

- The agent said he was liable for the debt
- The agent made him feel guilty
- He disputes some information given in our Investigators view.

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 helpful to explain we wouldn't generally expect Lowell – as a debt purchaser – to conduct a fraud investigation. That's because they weren't the party who the lending was taken out with, and a significant amount of relevant information would be held by that original lender. Instead, we'd expect Lowell to listen empathetically to someone's claim they've been the victim of fraud and raise a concern to the original lender about that.

Mr J says in the calls he wasn't dealt with in the way I'd expect, saying Lowell refused to listen to him, and made him feel guilty about the debt. He also says he was expecting them to log a complaint and they didn't.

Lowell say they handled Mr J's calls professionally, and it was clear a query was being raised, not a complaint.

To help me decide, I've listened to the first call which took place on 13 March 2024.

At the start of the call, Lowell's agent is gathering information to understand what Mr J says relates to him, and what doesn't. Around eight minutes in, the agent says they'll log a fraud claim.

The agent explains they'll get in touch with N, asking them some questions, and then Mr J will get a letter about the outcome. He says he can't give an outcome, as it depends on various factors – including when N reply. He also let Mr J know Lowell wouldn't be in touch asking him to repay the debt while this was being looked into.

The rest of this call is spent by the agent recording notes for N to consider. The agent reiterates again what will happen next before the end of the call – which is Mr J will get an outcome from Lowell and the agent can't say which way it's going to go.

In this call there is no suggestion the agent doesn't believe Mr J – on several occasions it's quite the opposite as the agent makes comments which suggests he's sympathising with Mr J and believes he's been the victim of fraud. So, I can't say Lowell treated Mr J unfairly at this point – nor is there any suggestion they were going to log a complaint.

After this, as Lowell's agent said, I can see they did contact N and asked a number of questions. N replied, confirmed they had no record of fraud, which Lowell then passed on to Mr J on 13 May 2024. In this letter of 13 May 2024, Lowell made it clear they believed the debt belonged to Mr J, based on N's reply. They gave Mr J 30 days to consider this information, and to contact them if he wanted to provide anything further – otherwise they'd be in touch.

The next actions were two further letters from Lowell on 12 June 2024 and 1 July 2024 asking Mr J to get in touch to repay the debt as they hadn't heard from him.

I have noted Mr J has raised concerns about these letters, as Lowell said while the dispute was ongoing they wouldn't contact him. But I think the letter of 13 May 2024 effectively ended the dispute – subject to anything else Mr J wanted to tell them – by saying N didn't agree the account was fraudulent. So, I don't think Lowell did anything wrong in writing to

Mr J at this time – as the dispute had ended, and he'd not been back in touch with Lowell within the timeframe they'd specified.

Next up is the call of 4 July 2024, where Mr J says he wasn't treated well as Lowell didn't want to listen to him and presumed him guilty of the fraud.

Mr J starts the call saying he wanted to raise a complaint. The agent goes through the history of what's happened to date – and say based on that they consider he owes the balance, but if he has more information they'd be happy to consider it.

Mr J reiterates his desire to log a complaint, and says he previously raised a complaint and the agent he spoke to on 13 March 2024 told him he wouldn't get any more letters asking for payment of the debt. The agent ultimately logs the complaint for Mr J and although it's clear Mr J is very frustrated the call ends amicably enough.

I do to some extent agree with Mr J's concern that Lowell's agent believed the account hadn't been taken out fraudulently. Their insistence on going through exactly what had happened, when Mr J just wanted to raise a complaint, was unhelpful.

But, I think part of Mr J's frustration here seems to be that he's misremembered what was discussed in the 13 March 2024 call. On 4 July 2024 call, Mr J says it was basically agreed in the March call the account was fraudulent, he wouldn't be contacted again and he'd raised a complaint – but that isn't what happened. What actually happened is the agent in the 13 March 2024 call said they'd raise the dispute to N, he couldn't promise what the outcome would be, and didn't say they'd log a complaint.

So, there was no acceptance at the time of the 13 March 2024 or 4 July 2024 call the account was fraudulent – and actually by the later call N had told Lowell the account wasn't fraudulent. With that in mind, I think Lowell acted fairly in handling this call for Mr J – on the basis I think Lowell gave Mr J the right information.

Given Mr J was actually the victim of fraud I can't begin to understand how frustrating he'd have found these calls – because he was right. But, Lowell didn't know at this point in time as N hadn't confirmed it – it was only after N had done a further investigation they confirmed it was fraud. Lowell had information to suggest the account did belong to Mr J – and none of that information seemed particularly unreasonable to rely on – and, of course, the most important part of that information was N's comments the account wasn't fraudulent.

Overall then, I don't think Lowell did anything wrong in handling Mr J's calls.

In respect of writing to Mr J – aside from 12 June 2024 and 1 July 2024 which I've covered above – all contact Mr J has received since he disputed the account was either about the dispute or about the complaint. So, I don't think Lowell have done anything wrong on these points either.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

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

Jon Pearce
Ombudsman