

The complaint

Ms U complains Lowell Portfolio I Ltd have taken action to recover a debt when they shouldn't have.

What happened

As I understand it Ms U's information was passed to a company I'll refer to as H in error. H incorrectly got a County Court Judgment (CCJ) against Ms U. This was appealed and removed – but Ms U then received a letter from Lowell to say they were taking action to recover the debt and had recorded a CCJ against her. Lowell purchased H – so took over Ms U's account with H. Ms U complained about Lowell's actions.

Lowell said they could see from H's records the CCJ was granted against Ms U at her current address on 30 June 2017. They said the CCJ was discontinued in January 2023 as H attempted to mediate with Ms U. Lowell purchased this account from H in February 2023 on the understanding it was free from any disputes. Lowell said although the CCJ had been discontinued in January 2023, this didn't mean the outstanding balance wasn't still valid and owing.

Lowell explained they did write to Ms U on 7 September 2023 explaining they'd been granted to substitute the claimant on record for the CCJ granted in June 2017. But, as the CCJ had been discontinued, there was no Judgment for which Lowell could be substituted in. Overall, Lowell were satisfied their contact to recover the balance was fair, they upheld the complaint because of the letter in September 2023. To resolve matters, they closed down Ms U's account – which had an outstanding balance due of £1,539 – and offered her £50 compensation.

Unhappy with this, Ms U asked us to look into things, saying she wanted the CCJ removed, her information removed from Lowell's database, and compensation.

One of our Investigators considered things, and thought Lowell hadn't properly compensated Ms U for the error – and increased the compensation to a total of £150. But, he didn't think there was any evidence Ms U's credit file had been impacted, or that the CCJ had been reapplied.

Ms U didn't agree – she said she was notified by one of the credit reference agencies her credit score had dropped in August 2023 – which was around the time Lowell were speaking to the court. Ms U explained in detail the impact the CCJ had on her health, and in total asked for £8,500 compensation.

Our Investigator looked at all the additional information Ms U had provided, but still didn't think Lowell needed to do anything more than offer a total of £150 compensation.

As Ms U still didn't accept this, her complaint was passed to me to decide.

I have noted Ms U asked for more time to provide more evidence she says would prove her case. But as at the date of this decision that time has passed, she's not asked for an

extension or told us she's not received the information. Conscious this matter has been ongoing for some time, I think it's appropriate to now go ahead and issue my 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.

Lowell have accepted they did make an error when they wrote to Ms U in September 2023 telling her they'd now been substituted on the CCJ for H.

So, what I need to consider is the impact, and whether the actions Lowell have taken since – in writing off a debt of £1,539 plus agreeing to pay a total of £150 compensation – is a fair way to put this right.

Ms U has talked about the impact on her credit file, and the impact on her health.

Dealing with the credit file first, in order to consider this I'd need to be provided with some evidence that demonstrates there was an impact on Ms U's credit file.

Ms U has provided evidence of one of the credit reference agencies from August 2023 saying her credit score has changed – and there is a picture with a down arrow. Although unclear, I'll accept this is suggesting her credit score has decreased.

Crucially though, as at the date of this decision Ms U has not provided any evidence from her credit file itself to show Lowell did re-report the CCJ as she's claimed.

Part of the reason it seems Ms U has said this, is because of correspondence from Lowell. But, one of the letters Ms U has pointed to is the same September 2023 letter which Lowell said was an error. None of the other correspondence shows Lowell recorded a CCJ against her again.

Given that, I can't reasonably say Lowell have reported another CCJ against Ms U.

Turning now to what Ms U has told us about her health, I'm genuinely sad to read what she's said. I don't doubt this has been a very difficult time for her. I've not reflected what she's told us in this decision because it's published on our website, but I have read what she said very carefully.

In thinking about what fair compensation is I can't ignore that it seems the letter she received was an error – and Lowell confirmed that after she complained. In line with the above finding I can't see that there has been any impact on her credit file.

And when thinking about compensation I also need to take into account Lowell have explicitly told Ms U she doesn't need to repay the outstanding balance of £1,539 – and she's now got compensation of £150 in total available.

In the circumstances, I'm satisfied this is a fair way to put matters right, so I won't be awarding the type of compensation Ms U has asked for.

My final decision

I uphold this complaint and require Lowell Portfolio I Ltd to pay Ms U a total of £150 compensation. If Ms U cashed the £50 cheque, then Lowell only need to pay her the remaining £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms U to accept or reject my decision before 10 July 2025.

Jon Pearce
Ombudsman