

The complaint

Ms G complains Lowell Portfolio I Ltd are asking her to repay two debts she says she's already repaid.

What happened

As I understand it, Ms G had two accounts with a company I'll refer to as R – a loan and an overdraft. Ms G says she repaid these accounts, and spent a lot of money, time and effort putting together evidence she'd repaid it. But, despite this, Lowell continued to contact her asking for repayment of the outstanding amount. Ms G says the outstanding amount is currently £7,291.23.

The accounts passed through a number of debt companies with different names – before ownership was ultimately transferred to Lowell in October 2022 when Lowell purchased the previous company who held the debt – I'll refer to them as H. Lowell told Ms G this in April 2024.

Lowell said H had purchased two accounts from R – one opened March 2003, and the other opened May 2010. They said they could see payment plans had been set up since 2012, but no payments were received until 2020. Lowell asked if Ms G had bank statements showing she'd made payments during this time to provide them and they'd reconsider their outcome. Overall, they said they didn't have any evidence to suggest the accounts had been paid off as Ms G was saying.

Unhappy with this, Ms G asked us to look into things – while also raising concerns about Lowell not replying to an email she'd sent on 11 January 2025.

One of our Investigators did so, and ultimately found Lowell hadn't done anything wrong, as there wasn't any evidence the debts had been repaid.

Ms G didn't accept this, 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 explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered 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 courtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

In cases such as this, it's important to firstly consider if Lowell have enough information to reasonably believe the amount they're asking Ms G to repay is outstanding. If they do, then it's for Ms G to show she has repaid the balance.

Have Lowell shown they're reasonably saying there is an outstanding balance

At the time of the assignment to Lowell in April 2024, the balance outstanding was showing as £7,301.23.

In August 2024 Lowell provided Ms G with a statement of payments she'd made towards the outstanding amounts – showing £5 a month being paid from June 2020 up to April 2023.

Following some further information from Ms G, Lowell reduced the outstanding balance by £10 to what they're now asking to be repaid of £7,291.23.

Lowell have also tried to get more information from R about the outstanding balances, but weren't able to due to the time that's passed.

What does Ms G's evidence show

In July 2024 Ms G wrote to Lowell saying between 2008 and 1 June 2023 she'd made regular monthly repayments towards the loan account. Ms G said these payments were made to R, then H and then Lowell – she asks for a statement of account to show how the balance of £7,301.23 (as it was at the time) came to be. Ms G also says she understands her direct debit towards repaying this account was cancelled on 21 June 2023 by H, and asks why as she says she was never told about it.

In September 2024, Ms G writes to Lowell again, and says she was told by a Senior Personal Banker (SPB) working on behalf of R that the loan had been cancelled six years after it'd been taken out and no further payments were owed as it'd been fully paid and written off. Ms G says she was told this was the reason the direct debit was cancelled. In this letter, Ms G also talks about payments she made between May 2008 and May 2020 which she says aren't accounted for.

Ms G has also provided statements she says shows she repaid the accounts. The first set of statements start from 1 May 2008, with 'automated credits' of £127.89 a month. Each month there is 'interest' debited as well. The statements go up to 25 May 2010 when a credit of £4,801.74 is applied. This seemingly closes the account – because 'to close' is written on the statement. But, it's difficult to rely on these statements, because all other information on the statements have been redacted. I can't see what account this relates to, how much the interest is or any other information.

Another set of statements start from 24 May 2010, and as before they're redacted with the only information showing as 'automated credit' of £185.26 per month, 'interest' being applied but I can't see how much and no account or other details. These statements stop in April 2012 but I can't see why – because of the redactions.

Further statements show payments to a previous debt company starting in May 2012 – initially for £10 a month, before it changed to £5 a month from October 2013. The statements then go up to June 2021 with payments of £5 a month.

Ms G also provided unredacted versions of some of these statements – but these also don't show conclusively the balance was repaid by her.

Overall thoughts

Lowell as a debt purchaser aren't responsible for how the balance accrued – they're only responsible for investigating any disputes raised when someone does.

Based on Ms G's evidence it seems initially she accepted these accounts were outstanding – otherwise it's unclear why she'd have set up repayment plans with the various debt

companies since May 2012. Lowell said in their complaint response Ms G hadn't made payments until 2020, but that's incorrect.

Based on Ms G's letters, it seems the reason she firmly believes the balance is no longer outstanding is due to a conversation she had with the SPB after her July 2024 letter and before her September 2024 letter. In that conversation she's been told the loan had been fully paid, written off and cancelled. I appreciate Ms G may not have used the exact terminology she was given by the SPB, but I thought it relevant to just explain those phrases all mean something slightly different.

So, it's not entirely clear what precisely the SPB meant. But, my role is only to consider Lowell's actions. If Ms G wants to pursue what the SPB told her further, she'd need to contact R. If R decide the accounts were cleared, then they can tell Lowell this and I'd then expect Lowell to stop contacting Ms G.

But, without any clear evidence the accounts were definitely repaid, I can't say Lowell are acting unfairly by asking Ms G to repay them. I also can't ignore that Ms G was making repayments towards these debts from 2012 to 2023 – and she says she didn't cancel those payments. It seems more likely than not to me Ms G believes she legitimately owed the money – at least at the time of beginning to make those payments. And, as that was closer to the time when the accounts were first passed over to a debt collection company, it seems likely if Ms G had repaid them, she'd have raised her concerns then. It seems the main reason Ms G is disputing the balance is due to what the SPB said – but, as I've mentioned above, it's not entirely clear what they meant.

Overall, I don't have enough evidence to reasonably say Lowell are asking Ms G to repay a debt that's already been repaid.

Finally – while I understand Ms G says Lowell didn't reply to the email of 11 January 2025, I don't think this changes anything. I say that because, at this point, Lowell had already told Ms G she could refer the matter to us – and her email of 11 January 2025 was to provide statements which she says proves she doesn't owe the outstanding balance – but I've already found they aren't sufficient to confirm Ms G's position.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 30 December 2025.

Jon Pearce
Ombudsman