

The complaint

Mr S complains ACI-UK LIMITED trading as ACI have:

- Failed to provide legal proof of debt ownership
- Provided an incomplete and non-compliant subject access request (SAR)

What happened

As I understand it a debt in Mr S' name was sold to a debt purchaser by a company I'll refer to as O. The debt purchaser asked ACI to service the account. ACI then contacted Mr S asking for repayment of it.

Mr S raised a number of concerns, including:

- ACI have failed to prove legal ownership as they've refused to provide the Deed of Assignment (DOA) – which is required under Section 136 Law of Property Act 1925 (LPA s136) and instead have relied on a Notice of Assignment (NOA) – which he says isn't enough.
- When he submitted a SAR to ACI asking for full transparency under Article 15 of the UK General Data Protection Regulation (GDPR) he didn't think it satisfied the relevant requirements – and he think his data should be erased under Article 17 of the GDPR.

Mr S asked for £600 compensation for the distress caused by ACI's unlawful data handling and contact, along with the time it'd taken him to investigate and determine the breaches in law.

ACI said after they'd provided other documents Mr S had asked for, he'd emailed them nine times asking for the DOA – and each time they replied explaining why they weren't required to provide it. ACI added they didn't deal properly with Mr S' first request – and for this they were sorry and offered to reduce his outstanding balance with them by £50.

Unhappy with this, Mr S asked us to look into things, reiterating his understanding ACI were legally required to provide the DOA, and because they couldn't then they shouldn't be processing his data or reporting anything to the credit reference agencies (CRAs).

As part of our standard process, we asked ACI for their file. They said in this they hadn't reported any information to the CRAs – so there was nothing to remove.

One of our Investigators considered things and overall found ACI hadn't acted unfairly by not providing the DOA. And she didn't think ACI were doing anything wrong by processing Mr S' data but encouraged him to contact the Information Commissioner's Office (ICO) if he wanted to pursue that further.

As Mr S didn't agree, 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 discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Before I get into deciding the outcome of Mr S' case, I wanted to explain to him how I'm required to do so.

This is covered in the financial regulator the Financial Conduct Authority's (FCA) 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.

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.

In summary then, I'm required to take into account the law, but crucially I'm required to reach a fair and reasonable outcome.

Do ACI have to provide the DOA

Mr S says ACI are legally required to provide the DOA, otherwise they can't enforce the debt.

ACI say the DOA is commercially sensitive, so it's not something they're going to share with Mr S. Instead, ACI say the NOA is sufficient.

I'm aware there are some court cases Mr S has referred to that say a consumer is entitled to see the DOA – but there are also other court cases which businesses say a consumer isn't entitled to see the DOA.

Mr S believes legally he's entitled to the DOA under LPA s136 – and if that were the case then I'd expect all court cases to have reached the same conclusion – which they don't seem to have.

I'd also expect debt purchasers to have sought legal advice on this point as it's one that comes up regularly, and it seems likely to me debt purchasers wouldn't continue to deny their customers access to this document if the law said they were required, in every case to provide it.

In addition, the FCA sets out what's expected of financial businesses regarding assignment of a debt in their Consumer Credit Sourcebook (CONC). CONC 6.5.2 says:

(1) Where rights of a lender under a regulated credit agreement are assigned to a firm, that firm must arrange for notice of the assignment to be given to the customer:

(a) as soon as reasonably possible; or

(b) if, after the assignment, the arrangements for servicing the credit under the agreement do not change as far as the customer is concerned, on or before the first occasion they do.

[Note: section 82A of CCA]

(2) Paragraph (1) does not apply to an agreement secured on land.

(3) A firm may assign the rights of a lender under a regulated credit agreement to a third party only if:

(a) the third party is a firm; or

(b) where the third party does not require authorisation, the firm has an agreement with the third party which requires the third party to arrange for a notice of assignment in accordance with (1).

If legally every company had to provide the DOA, then I'd expect that to be explicitly set out in the FCA's CONC rules – but it's not. It says every company must send a NOA.

Given all of the above information, I'm not satisfied Mr S' request for the DOA is one ACI are required to fulfil. So, I don't require them to provide the DOA to Mr S.

ACI provided Mr S with the NOA. This is a standard document when a debt is sold from one owner to another. There isn't anything obviously wrong with the NOA, and it contains all of the usual information I'd expect. So, in the circumstances, I don't think there's any reason not to rely on it. As such, I'm satisfied by sending the NOA ACI fairly responded to Mr S' request for the DOA.

Are ACI allowed to process Mr S' data and report to the CRAs?

Mr S has sent a couple of letters to ACI which ask them to stop processing his data – referring to different aspects of GDPR. Mr S also doesn't think ACI can report to the CRAs because they don't have the legal basis on which to do so.

ACI say they've got a legitimate reason for processing Mr S's data – because there is a debt he owes them at this point. ACI have also said they're not reporting anything to the CRAs.

Dealing with the CRA reporting first, I've already explained why I'm satisfied ACI are allowed to contact Mr S regarding this account. In the circumstances, if ACI were reporting anything, then as long as it's objectively accurate information I don't think they'd be doing anything wrong. ACI have said they're not reporting anything, and Mr S hasn't given us a copy of his credit report – so I don't know if they are or not. If Mr S finds ACI are currently reporting, or they do later on report, to his credit report and he disagrees with the accuracy of the information he can raise a new complaint.

In respect of GDPR this provides six reasons for the lawful processing of someone's data – given Mr S has an outstanding account with ACI I think it's likely they're not doing anything wrong in processing his data. The correct party to fully investigate any data protection breach is the ICO, and I can see Mr S has already contacted them regarding his concerns.

Other issues

Mr S has referred to this account as an alleged debt. So, I've also thought about if ACI are contacting him fairly – on their understanding he is the account holder.

ACI's information shows when O sold the account the information provided included the same phone number, email address and postal address as our service has for Mr S. The credit agreement which is the subject of this debt is also in Mr S' name. In the circumstances, I'm satisfied ACI are reasonably asking Mr S to repay this debt. I've noted ACI also said if Mr S thought the account was fraudulent he should report this to Action Fraud, and raise a claim to the original creditor. I think that's a reasonable position to take given the information they've been provided with.

Finally I've noted ACI offered Mr S £50 compensation for not providing as clear information as they should. Although I'm aware Mr S has asked for £600 compensation, that's on the basis ACI not providing him the DOA was unreasonable, and that they wouldn't stop processing his data. For the reasons I've mentioned above, I don't agree with either of those points. So, I'm satisfied the £50 ACI have offered overall is a fair outcome to this complaint.

My final decision

ACI offered Mr S £50 to settle this complaint, and I'm satisfied it's fair in all the circumstances.

So, my decision is ACI should pay Mr S £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 January 2026.

Jon Pearce
Ombudsman