

The complaint

Mr P complains that Moorcroft Debt Recovery Limited (“Moorcroft”) are chasing him for a debt where the balance is in dispute.

What happened

In 2021, Mr P says that Moorcroft sent him some letters demanding repayment for a debt that originated to a telecommunication lender, I’ll refer to as X. Mr P says he had previously had an account with X, he was sure it hadn’t been closed with the balance Moorcroft said was due, and he didn’t think the account belonged to him.

Mr P did say that his account with X had previously been disputed because X hadn’t been applying discounts to his overall bill, as it was supposed to. However, the bills had been paid consistently over a long period of time.

In 2021, when Moorcroft contacted Mr P, he says he was experiencing a severe mental health crisis, as well as being neurodivergent and facing homelessness. Despite this, he says he tried to query the debt with Moorcroft, and he let it know about his financial and mental health challenges. He adds that the person he spoke to didn’t address his concerns and was only focussed on setting up a payment plan which he eventually arranged online via a third-party.

In 2024, Mr P says his health had improved and so he contacted Moorcroft again to complain and request a breakdown and proof of the debt. He said it took several attempts before his complaint was addressed and acknowledged. But ultimately, he says Moorcroft couldn’t provide him with a full breakdown of the debt or proof that he owes it.

Mr P says the situation has caused him a lot of distress, which has been exasperated by Moorcroft not contacting by email and letter as he requested.

Mr P says that the result of this situation is that he has been making repayments to an unsubstantiated debt which has caused him a severe amount of stress. In addition to this, he says that his credit score has been severely impacted by Moorcroft and X – recording the debt as having defaulted.

Moorcroft responded to Mr P’s complaint, but it didn’t uphold his concerns. It said *“We firstly assisted you with an affordable payment plan based upon the information you provided. Then when you contacted us to raise a balance query and request a breakdown we raised this with our client and provided you with their response along with information we did hold. We have then continued to assist with your dispute and complaint... We do hope that you can appreciate that as we are not the original creditor, we are only able to raise your dispute and request for further information with our client and to provide you with details of their response.”*

An Investigator considered the evidence provided by both parties, but they didn’t uphold Mr P’s complaint. The Investigator provided detailed findings; however, I have summarised their main points below:

- They'd not seen any evidence to suggest that Moorcroft unfairly set up a repayment plan in 2019.
- They hadn't seen anything to suggest that Moorcroft had created an unfair relationship with Mr P.
- They hadn't seen any evidence to suggest that the outstanding balance Moorcroft says Mr P owes was incorrect. They also explained that Mr P hadn't disputed the balance until more recently. And now due to the passage of time, information is no longer available.
- They felt that it was reasonable Moorcroft were asking Mr P to repay the debt based on the information they had seen.
- There are no records of Moorcroft contacting Mr P by phone between 2019 and 2024. There was one call Mr P made to Moorcroft in 2024, and Moorcroft returned the call the next day.

Mr P didn't agree with the Investigator's view and asked an Ombudsman to review matters. In his response to the Investigator, he repeated much of the same information as he had done previously, however, a summary of his main points is below:

- He had disputed the balance with X in 2019 and complained to it about this. The balances weren't correct when they were referred to Moorcroft and were still in dispute.
- A relative — unaware of the underlying billing dispute with X — set up a payment plan on his behalf to stop the stress of the calls. This shouldn't be treated as his acceptance of the debt.
- There isn't any evidence to suggest that the balance is correct.
- He explicitly disclosed his vulnerability to Moorcroft.
- Moorcroft don't hold enough evidence to fairly pursue him for the debt.
- He wants the debt to be written off and any negative information being reported to the credit reference agencies removed.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

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.

Having considered all of the available evidence, I don't uphold Mr P's complaint, for much of the same reasons as set out by the Investigator. However, I will explain how I have reached my outcome below.

I have 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 have summarised Mr P's complaint in far less detail than he 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.

Repayment plan

I haven't seen any evidence to suggest that Moorcroft unfairly set up a repayment plan for Mr P in 2019. At this point, Moorcroft were collecting the debt on behalf of X. And so, at this stage I can see it sent Mr P letters about the outstanding debt, and that it needed to be repaid.

I can see that there's information to suggest that Mr P contacted Moorcroft to say he couldn't create an account (in 2019), and after this, a payment plan was set up. I haven't seen any evidence to suggest that Mr P was pressured into setting up a plan. And at this stage, X were still the owner of the debt, so any dispute in relation to the balance would need to have been directed to X. Moorcroft also weren't aware of a balance dispute at this stage, and so I can't fairly conclude that it was unfair or unreasonable of Moorcroft to have agreed and set up a repayment plan for the outstanding debt.

I note that Mr P adds that at the time the payment plan was set up, he was very unwell and unable to cope. He said the plan had been set up by a relative. While I am genuinely very sorry to have read this. I haven't seen any evidence to suggest that Moorcroft either were or should have been aware of either of these things. And so, I can't conclude that it should have done anything differently at the time.

Outstanding debt

Moorcroft has obtained evidence from X to show the devices the balance has accrued from. It has also provided evidence of the payments Mr P has made towards the balance. I can see Moorcroft has requested more information from X, such as a copy of a credit agreement, but it has said it can no longer produce this due to the time that's passed. The requirement on Moorcroft is to request the information Mr P has asked for from X, but I can't hold it responsible for X not being able to provide this information and it doesn't follow from this that Moorcroft has done anything wrong in asking Mr P to repay the debt in the absence of the information.

While the evidence is limited, the evidence available does show where the balance has come from, and how this has reduced in line with the repayments Mr P has made to the account.

I understand that Mr P says X didn't apply discounts to his balances when it should have and the billing information was unclear. But these matters aren't the responsibility of Moorcroft – this would need to be raised with X. While Mr P says he did dispute the balances with X, I've seen no evidence of this, and X hasn't made Moorcroft aware of such dispute.

I note that Mr P says that Moorcroft shouldn't be pursuing him for a debt where there is a dispute over the debt – he has referred to information in the Financial Conduct Authorities Consumer Credit Sourcebook (CONC) which he says supports his argument here. The section of the handbook Mr P has referred to (CONC 13.1.6) is about enforceability of the debt, and essentially says that a firm can't mislead a customer into thinking the agreement is enforceable when it might not be. I make no finding here on whether the agreement is enforceable or not, as this isn't something I can decide (only a court can decide this), but I haven't seen anything to suggest that Moorcroft has mislead Mr P into thinking the agreement is enforceable.

In addition to this, there is a section of CONC that refers to disputes over a debt (CONC 7.5.3). This states “A firm must not ignore or disregard a customer's claim that a debt has been settled or is disputed and must not continue to make demands for payment without providing clear justification and/or evidence as to why the customer's claim is not valid”. In this case, I can see when Mr P disputed the debt with Moorcroft, it requested evidence from X. X provided it with information about how the debt had accrued. Moorcroft felt that the information X provided was enough to show that the balance was more likely correct, and the debt owed by Mr P, and so it felt it had enough to continue collecting the debt, which I don't find to be unfair or unreasonable.

Overall, I haven't seen any persuasive evidence to suggest that the balance Moorcroft are saying Mr P owes is wrong. And I haven't seen anything to suggest that Moorcroft are unfairly asking Mr P to repay the debt.

The treatment of Mr P in relation to his mental health issues

I can see that Mr P has been through a very difficult time. I don't doubt what he's said here. And I also don't wish for this decision to downplay or undermine what he's said he's been through. But being independent means, I must take a step back and consider the evidence available in deciding what is fair and reasonable.

I understand Mr P says that Moorcroft were aware of what he was going through. And he's said he explained this to them at the time – back in 2019 and since then. Moorcroft said it wasn't aware until more recently of the difficulties Mr P faced and continues to face. It has provided a copy of its contact notes; there isn't anything in there to suggest it was aware. That being said, I accept that this may have been missed off the notes.

Even if Moorcroft had been aware of Mr P's difficulties, I still can't find that it has treated him unfairly in any way. It has asked him to repay a debt that the parties accept is owed (albeit the balance in dispute); the issues Mr P has described wouldn't prevent it from continuing to contact him to collect the debt. If it had been aware, it might have taken steps to tailor the way it communicated with Mr P – and contact him in the way he'd asked by letter and email. But I can see that the majority of contact Moorcroft had with Mr P was in writing, which is what he said he preferred. I can see evidence of a call in 2024, but this was when Mr P called Moorcroft, and it returned the call the following day. I haven't seen that Moorcroft has treated Mr P unfairly in light of what he's said.

Unfair relationship

In order for me to uphold this part of Mr P's complaint, I'd need to be satisfied that the original owner of the account (X), or Moorcroft, created or perpetuated an unfair relationship. Given that I haven't been able to uphold any of the other points Mr P has raised, and following my review of the file in full, there really is no evidence to support Mr P's comments here.

Summary

Much of Mr P's complaint here relates to the amount of the outstanding balance when Moorcroft were asked to collect the debt, and when it was later reassigned to Moorcroft (in 2023). All of these points are still the responsibility of X. Moorcroft has done what it needed to do in contacting X about the dispute and obtaining evidence to satisfy itself that the balances are more likely correct. It has relied on the evidence it has available. But ultimately, if Mr P still has a dispute about the balance when it was still with X, as he says he does, then he needs to raise these concerns with X.

My final decision

For the reasons set out above, I don't uphold Mr P's complaint.

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

Sophie Wilkinson
Ombudsman