

The complaint

Mr S complains Lowell Portfolio I Ltd's actions in pursuing debts he disputes have caused undue stress, breaches multiple legal and regulatory provisions, and demonstrated a lack of professionalism.

What happened

Mr S says Lowell claims to have acquired three debts allegedly owed to third parties and have relied on a Notice of Assignment (NOA) to assert their rights. Mr S says this doesn't create new obligations against him as the alleged debtor and he disputes any liability to Lowell. Mr S adds Lowell's relentless communications have significantly impacted his health – and every call or letter he receives triggers intense anxiety. Mr S had quoted a number of pieces of law, and said Lowell:

- are harassing him
- are processing his data when they shouldn't be
- have failed to provide support for over two years when he told them about his personal circumstances
- have avoided addressing his complaint properly by deflecting matters over to our service

I thank Mr S for sharing details of his health. I've been deliberately vague about what he's said, because this decision is published on our website. But, I want Mr S to know I've read and taken into account everything he's told us.

In brief, Lowell said they didn't think they'd done anything wrong on most of Mr S' points but said they could trace receiving contact from him on 21 May 2022 but couldn't find a reply. They said sorry for this.

Unhappy with Lowell's answer Mr S asked us to look into things.

One of our Investigators did so, and didn't think Lowell had to do anything more, so didn't uphold the complaint.

Mr S disagreed with this. I've summarised what I consider to be his key points:

- No proof of statutory service under the law – copies of letters produced retrospectively aren't evidence of lawful service.
- No privity of contract with Lowell – he never entered into a contract with Lowell and without a valid and properly served NOA Lowell have no contractual or enforceable relationship with him.
- Unlawful processing of his data – without legal title, Lowell have no legal basis to process or report his data.
- Lowell's contact has significantly worsened his diagnosed mental health conditions, and as a public body our service must ensure reasonable adjustments are applied – Mr S has referred to the Equality Act 2010.

- Breach of Financial Conduct Authority (FCA) standards – as despite his written dispute, Lowell continued collection activity.

As Mr S disagreed with our Investigator, his complaint has 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 deciding the outcome of Mr S' case I think it's helpful I explain how I'm required to do so.

This is set out by the FCA in the Dispute Resolution (DISP) Handbook.

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.

And 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.

So, in short, I'm required to take into account all of the laws, rules and regulations Mr S has quoted, but I'm not bound by them. I'm required to reach what I consider to be a fair and reasonable outcome.

I also just wanted to add I can't make a legal ruling on matters such as whether Lowell have harassed him – as that's only something a court can rule on. If Mr S wants a legal ruling on any of the matters he's raised, he may wish to seek legal advice about his options.

Can Lowell ask Mr S to repay this debt purely based on a NOA

Lowell sent Mr S three NOAs for the three debts and say this gives them the right in law to now ask Mr S to repay the debts.

Mr S asks if Lowell are correct in quoting this law to him, as he says sending a NOA doesn't create new obligations on an alleged debtor. Mr S also says he never received the NOAs and sending copies isn't proof of lawful service.

As I've set out above, I won't be deciding if Lowell are fully legally compliant as only a court can make that ruling – but I will look at if they're treating Mr S fairly.

In doing that, I need to point out it's quite common in the lending industry for outstanding accounts to be sold by lenders to another party – such as a debt purchaser like Lowell. Typically, the terms and conditions customers enter into with lenders will allow for this. But, if Mr S disagrees with this, then he'd need to raise a complaint to the relevant lenders as Lowell aren't responsible for the sale of the account.

In thinking about whether Lowell are treating Mr S fairly, I've looked at the FCA's 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).

So, the FCA's rules says a NOA must be sent when the rights of the lender is passed on from them to another firm. Lowell have bought the debt, so have taken on the rights of the lender at this point – and they've sent a NOA.

I'm aware Mr S has also referenced a Deed of Assignment. This is a commercial agreement between the original lender and the debt purchaser. I'm aware some court cases have decided it should be disclosed to customers, but others have decided it shouldn't be. In the absence of an absolute disclosure requirement – and given the FCA's rules on assignment don't mention it – I'm satisfied Lowell have done enough by sending the NOAs.

I have noted Mr S' comments he never received them, but Lowell's systems show they were sent – so I'm satisfied Lowell have done what they needed to.

Taking all of this into account, I'm satisfied Lowell are fairly asking Mr S to repay these debts.

Are Lowell harassing Mr S

Mr S says Lowell are harassing him by pursuing debts he doesn't recognise.

Lowell say the debts are his, and they're entitled to contact him and ask for repayment.

As above, I can't decide if Mr S has been harassed, but I have looked at Lowell's communication records to see if I'm satisfied they've communicated fairly with him.

Mr S has in part characterised the contact from Lowell as harassment because he says Lowell have no legal obligation to contact him regarding them. For the reasons I've mentioned above I can't agree with that, as Lowell are the owners of these three debts. So, I think they do have a legitimate reason to contact him.

Mr S has also said Lowell are contacting him despite him disputing the debts.

Based on the information I have, as far as I can see whenever Mr S has disputed the debts with Lowell they've replied to him explaining why they don't agree. In my view, that means the dispute has been responded to, and it's not unreasonable for Lowell to then continue to contact a customer who has an outstanding debt.

I have noted Mr S' comments about wanting Lowell to put reasonable adjustments in place. But, I can't see that Mr S has ever explicitly told Lowell what reasonable adjustments he needs. I can see he's referred to Lowell stopping contacting him – which I don't think would be fair and reasonable given he's got an outstanding debt. Otherwise Mr S can, and I see has, specified how he wants to be contacted – by email was Mr S' request. But, if Mr S then ignores Lowell, they'll try other communication methods.

Overall, I don't think Lowell have done anything wrong with the way they've contacted Mr S.

The processing of Mr S' data

Mr S says because Lowell have no right to contact him about these debts, they're also not entitled to process any of his data.

Lowell have said the debts have been validly assigned to them, so they now own the debts and as such have to process his data.

I've already found above Lowell are acting fairly and reasonably in asking Mr S to repay these debts. By virtue of that, I'm satisfied Lowell are acting fairly in processing Mr S' data. I've noted Mr S has raised a complaint to the Information Commissioner's Office (ICO). It's unclear if Mr S' complaint to the ICO relates to this exact issue – but if it doesn't, then he can raise this issue with them.

Lowell failed to provide support for over two years when Mr S told them about his personal circumstances

Mr S says despite telling Lowell about his circumstances, they didn't do anything to help him in the two years before he then complained in December 2024.

Lowell say they couldn't trace a reply to Mr S on 21 May 2022 and said sorry for this.

Lowell have provided their communication from this time. An email dated 21 May 2022 was sent by Mr S to Lowell – but I can see it was acknowledged 23 May 2022. It's unclear if it was then responded to. But, I'm satisfied Lowell's apology for this is enough.

The reason I say that is because Mr S contacted Lowell through their webchat on 22 May 2022. In this contact, he did initially explain about his financial position and said he wouldn't be able to afford to pay anything.

When asked for information for security purposes, Mr S said:

You have a reference number that you texted to me ... you have the contents of the text as a reference... I don't wish to answer any further questions and I am not engaging in any further dialogue and I will not be entering into any financial agreement

Lowell's agent then explained this isn't enough to pass security, and if Mr S wanted to discuss things at another time he could get back in touch. Lowell's agent added that contact would resume in the meantime.

I don't think it's unreasonable of Lowell to have security processes in place – and it's for them to decide what those processes are. So, I think Lowell acted fairly in asking Mr S for security information and, when he refused to provide it, not taking any further action.

Lowell avoided addressing Mr S' complaint properly by deflecting matters over to our service

Mr S says Lowell just deflected his complaint and didn't properly engage with all of his legal arguments – instead just issuing a final response letter and referring the matter over to us.

While I understand Mr S' concerns, my role is to assess the complaint raised to us – rather than to critique the response Lowell gave to his complaint. And, for the reasons I've set out above, I'm satisfied Lowell have overall treated Mr S fairly in handling the accounts.

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 S to accept or reject my decision before 30 December 2025.

Jon Pearce

Ombudsman