

The complaint

Mr D complains Lowell Financial Ltd (Lowell) are asking him to repay a debt which was irresponsibly lent. He's also unhappy they didn't identify there was irresponsible lending when purchasing the account, and that they didn't take into account his vulnerabilities when contacting him.

What happened

As I understand it Mr D had an account with a lender I'll refer to as O. Unfortunately, Mr D fell into financial difficulties, and O ultimately sold the account to a debt purchaser. The debt purchaser has arranged for Lowell to service the account.

Mr D raised his complaints to Lowell. They replied and said they'd passed on Mr D's concerns about the debt being irresponsibly lent to O for them to investigate. In respect of asking him to repay the debt, Lowell explained they believed the debt to be legitimately owed and free from any disputes. Overall, they didn't think they'd done anything wrong.

Unhappy with this, Mr D asked us to look into things. One of our Investigators did so but didn't think Lowell had done anything wrong.

Mr D didn't accept this. I've summarised what I consider to be his key concerns:

- The outcome overlooks the debt was later confirmed to be irresponsibly lent, so Lowell pursued an invalid agreement and caused harm
- The stance taken on due diligence doesn't factor in O's known lending issues – and if proper due diligence had been carried out the debt would have been returned to O
- Lowell had prior knowledge of his vulnerabilities because of breathing space application, earlier complaints and other contact, but this has been discounted

I wanted to make it clear I'm aware Mr D has raised other points about this account, and concerns about other accounts, when communicating with our service. But, I can only consider the issues he raised to Lowell which were the subject of this complaint. I can see Mr D has raised a complaint to Lowell about these other points.

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.

When replying to our Investigator's outcome I've noted Mr D also had concerns about the difference between a debt purchaser and a debt servicer. Mr D has said the separation of

the debt purchaser, and Lowell as the debt servicer, has been relied upon to avoid responsibility. While I've noted Mr D's comments, I don't agree with that – as the issues he's raised are all ones I've considered against Lowell.

Irresponsible lending

Mr D complains the account Lowell are asking him to repay was irresponsibly lent to him.

Lowell say this is a complaint for Mr D to raise to O, as they're not responsible for the decision to lend the money to him.

Lowell are correct in saying this isn't their responsibility to address – it's O's. That's because O were the party who were required to assess Mr D's circumstances to ensure it was appropriate to lend to him.

Lowell did what I'd expect them to have done, which is to forward Mr D's concerns about irresponsible lending to O. I understand O have since partially upheld Mr D's concerns.

So, I don't think Lowell have done anything wrong on this point.

Failure to identify the account was irresponsibly lent

Mr D thinks Lowell should have identified the account was irresponsibly lent. And his specific focus is that because the account was subsequently deemed to be irresponsibly lent then Lowell pursued an invalid agreement and caused harm.

In general terms it is expected accounts are sold from lenders to debt purchasers free from any disputes. So, when Lowell were asked to service the account they'd have expected there to be no issues.

The assessment to decide if an account was irresponsibly lent relies on a large number of factors – including the lenders lending criteria, the amount lent, the ability of the consumer to pay it back and so on. To decide whether someone has been irresponsibly lent or not requires an in-depth review of a lot of information.

Pulling these two elements together mean I don't think there is any requirement for Lowell to have assessed whether Mr D's account had been irresponsibly lent or not. They wouldn't expect there to be an issue, and simply aren't the right party to make that assessment when buying an account.

So, I don't agree with Mr D that Lowell have done anything wrong – and it follows I don't think they unfairly caused any harm by asking for repayment of this debt for this reason.

Failure to consider Mr D's vulnerabilities

Mr D says Lowell knew of his vulnerabilities from previous accounts they held for him, earlier complaints and breathing space. He's also mentioned a debt charity was involved. Mr D says when a breathing space and debt charity notifications are sent these include information regarding his vulnerabilities. And Mr D felt Lowell's contact was threatening.

Lowell say the first contact they received from Mr D on this complaint is 10 April 2025. They didn't contact him after this, so didn't think they'd done anything wrong.

I think of relevance here is the timeline of events. Mr D's account was passed to Lowell to manage in May / June 2024. Lowell sent a number of letters variously asking Mr D to get in touch to discuss the account, to set up a payment plan, to ask him to pay them directly rather than O and to thank him for making payments.

There were two payments made by Mr D through a debt charity in October and November 2024. There was then further contact from Lowell after this, with Lowell's last letter dated 4 April 2025. This letter explained Lowell had been trying to reach Mr D, but he'd not replied to them. Lowell explained about the impact of getting a CCJ in this letter.

It seems following this, Mr D raised his complaint on 10 April 2025. After his complaint, I've not seen from Lowell or Mr D any further contact to him asking him for repayment of the debt. The account itself was closed as settled on Lowell's systems on 14 May 2025.

I've not seen anything inappropriate or threatening in Lowell's contacts as Mr D has suggested. I think the letters are factual in nature and explain what Lowell may or may not do depending on whether Mr D gets in touch with them or not.

I'm aware Mr D has said because he'd asked for breathing space for other accounts historically, and because the two payments he made to this account in October and November 2024 came from a debt charity, Lowell should know he's vulnerable. He says this is because they disclose this information.

The breathing space notification was sent in 2023 – before Lowell owned this account. None of the information provided by Mr D shows what Lowell were told about this.

In respect of the debt charity, I've not seen anything either to show they disclosed Mr D's vulnerabilities or any adjustments he may require to Lowell. I've only seen them sending Lowell two payments in October and November 2024 – nothing else.

Bringing all of this together, I've not been persuaded Lowell have treated Mr D unfairly by contacting him and asking him to respond to them.

My final decision

For all 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 D to accept or reject my decision before 4 March 2026.

Jon Pearce
Ombudsman