

## **complaint**

Mrs E complains that Lowell Portfolio I Ltd should withdraw its allegation that she owed it money.

## **background**

Mrs E complained when Lowell threatened her with legal action to recover a debt assigned to it by a catalogue company.

The adjudicator recommended that the complaint should be upheld. She concluded that – in addition to writing off the balance and amending Mrs E's credit file – Lowell should pay her £200 for distress and inconvenience.

Mrs E agrees with the adjudicator's opinion. But she says her main priority has always been to clear her name and to receive acknowledgment of this in writing.

Lowell disagrees with the adjudicator's opinion. It says, in summary, that it has written off a debt for which Mrs E was responsible. So she should not receive compensation, it says.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I accept that – by 2008 - Mrs E had not ordered anything on her catalogue account for a long time. So the catalogue company had stopped sending her statements on her account. And – when she moved house that year - she did not tell the catalogue company.

But someone used her account to order some goods in late 2010 – and did not pay for them.

So the catalogue company told credit reference agencies that her account was in default. And when Lowell took an assignment of a block of debts, it wrote to Mrs E's new address, quoting the new name of the catalogue company.

When she told Lowell it was not her debt, its response was to send her a copy of an account statement which I find less than clear. And it threatened her with court proceedings. I consider that this was understandable - but turned out to be wrong because of what the catalogue company said later.

After Mrs E complained to us, Lowell took the commercial decision to write off the account and told Mrs E that it would remove adverse information from her credit file. I am satisfied that this mitigated the distress and inconvenience to Mrs E.

Our adjudicator issued her opinion within a month.

At first Lowell offered £100 for distress and inconvenience and then appeared to accept the adjudicator's opinion.

But it re-asserted that Mrs E had been the person responsible for the debt. And Lowell maintained that stance even after the adjudicator told it that the catalogue company had accepted that someone had used Mrs E's old account fraudulently. I consider that Lowell's response has prolonged Mrs E's distress and inconvenience and made it worse. I conclude that fair and reasonable compensation is £250.

**my final decision**

For the reasons I have explained, my final decision is that I uphold this complaint. In full and final settlement of it, I order Lowell Portfolio I Ltd to:

1. write to Mrs E withdrawing and apologising for its statements that she was the person responsible for the debt and
2. tell credit reference agencies to remove any adverse information from Mrs E's credit file and
3. pay Mrs E £250 for distress and inconvenience.

Christopher Gilbert  
**ombudsman**