

complaint

Mr L complains that Lowell Financial Ltd harassed him to repay a debt that he did not owe.

background

Lowell bought the debt from the original creditor and contacted Mr L, by letter, phone and text, to seek repayment. Mr L agreed to repay half of the amount outstanding, but the original creditor then said it had made a mistake. The money Mr L had paid was refunded.

The adjudicator did not recommend that the complaint should be upheld. She concluded that Lowell bought the debt in good faith and had not acted unreasonably in pursuing him for repayment.

Mr L responded to say, in summary, that he was put under unreasonable pressure to pay during phone calls and that, after responding to his complaint and telling him he didn't need to repay the debt, Lowell sent him another demand letter.

my findings

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

Lowell purchased the debt in good faith – it had no reason to believe the debt was not due to be paid by Mr L. It wrote to him to tell him it had purchased the debt and to seek repayment. It did not receive any response from Mr L for around four months, but during this time it continued to contact him by letter, phone and text. I appreciate that this continued contact may have felt like harassment to Mr L, but I don't find Lowell acted unreasonably in its attempts to contact him.

When Mr L told Lowell he disputed the debt, it put its collections activity on hold while it sought confirmation of the position from the original creditor. The creditor said it had not received requested information from Mr L so the debt remained outstanding. Mr L made arrangements to repay half of the outstanding debt. He says he was put under undue pressure to pay. Having considered the transcript of the call that took place shortly before he made the payment, I do not consider he was put under unreasonable pressure to pay. I have taken into account that this was one of several calls, but this does not change my decision.

The original creditor then realised a mistake had been made, asked for the debt to be returned to it and asked Lowell to refund the amount Mr L had paid and remove the default from his credit file. Lowell arranged to do this reasonably quickly.

I am not unsympathetic to the position in which Mr L found himself. But I do not find that Lowell acted unreasonably in the circumstances.

I can see that after Lowell responded to Mr L's complaint and confirmed it was refunding the money he had paid, it wrongly sent him a further demand letter. Lowell says this letter was automatically system generated. I understand Mr L's frustration that he received this letter, but this does not change my overall conclusion that Lowell acted fairly and reasonably.

my final decision

For the reasons I have explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L to accept or reject my decision before 26 May 2015.

Elizabeth Dawes
ombudsman