

complaint

Mr C complains that Lowell Portfolio I Ltd sent letters to an old address in respect of a credit card debt and then imposed charges.

background

Mr C had a credit card debt and the bank passed the debt to Lowell. Mr C says he wasn't aware he owned any money and so he hadn't told the bank that he had changed address. Lowell says it wrote to him on several occasions but received no reply. It also says it tried to call him, but without success. It passed the debt to its solicitors who also wrote to Mr C. They then carried out a trace and identified his new address.

The solicitors wrote to him at the new address on 6 September 2016, but Mr C says he didn't receive that letter until 22 September. It asked him to respond within 14 days. Lowell issued claim form on 28 September and added costs to his debt. Mr C spoke with Lowell on 30 September and was told the additional costs wouldn't be removed. He spoke with Lowell again on 6 October and they say he agreed to pay off the debt by direct debit. I gather this has now been paid.

Mr C made a complaint to this service and we asked Lowell for its response. It said it hadn't made any errors in handling the matter. The complaint was considered by one of our investigators who didn't recommend that it be upheld. She considered Lowell had acted correctly and the charges had been applied properly. She didn't consider they should be refunded as Mr C wished. He didn't agree.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

While I have some sympathy with Mr C, ultimately the responsibility for managing an account lies with the customer. It is unfortunate Mr C wasn't aware that he owed the bank money and he failed to notify it of his new address. Without this information it was unable to contact him. It passed the debt to its solicitors and when their letter was returned they undertook a search and found Mr C's new address. The business did all it reasonably could to obtain payment of the outstanding debt.

Mr C says that the letter notifying him of the potential charges wasn't received until 22 September, after the 14 day deadline. I cannot say why this might have happened, but I am satisfied from reviewing Lowell's records that it issued the letter on 6 September. In any event I note Lowell's records show that Mr C didn't respond to that letter until 30 September. As such I do not consider the business has done anything wrong.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 September 2017.

Ivor Graham
ombudsman