

## **complaint**

Ms R complains that she's being chased for payment of a debt by Lantern Debt Recovery Services Ltd (trading as 'MMF') that she says she doesn't owe.

## **background**

MMF contacted Ms R about an outstanding debt on three cash loans that she took out with a third party in 2012. It says that the outstanding amount of the loan is £501.70. Ms R says that she had already made payment in settlement of the loan to another debt collection agency that owned the debt between 2012 and 2014. She says she doesn't owe anything.

The adjudicator didn't recommend that this complaint should be upheld. She concluded that Ms R had not provided enough evidence to show that she had made payment in settlement of this debt for the amount she says she had. She says she checked statements provided by Ms R that showed she made 2 payments for small amounts but these did not add up to the amount that Ms R says she had paid. So our adjudicator did not uphold Ms R's complaint.

Ms R responded to our adjudicator's view and said that she didn't make 1 large payment but made lots of regular small payments that accumulated to her paying what had been agreed and thinks the loan has been settled. She has asked for his complaint to be considered by an ombudsman.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete or inconclusive, I will reach my decision on the balance of probabilities – in other words, what I consider is more likely than not to have happened in light of the available evidence and the wider circumstances.

MMF says that the debt was initially transferred to another third party debt collection agency between 2012 and 2014, then more recently to them. It says Ms R still has an outstanding balance to pay of £501.70. Ms R on the other hand says she agreed to repay an amount in settlement of the debt. She says she has repaid what is owed to the other debt collection agency and has done this by many regular payments. She considers the debt to be settled.

I have read an email in August 2012 between a third party and Ms R where it is advised that the amount outstanding would be transferred over to a debt collection agency. Then I have checked bank statements supplied by Ms R from August 2012 to September 2014 and can see that she has made 2 very small payments only. I can not see any other payments made by Ms R to the first debt collection agency within these bank statements.

So, with the evidence that I have seen, I think it is more likely than not that Ms R still owes the amount that MMF says she owes (£501.70).

I consider that it's fair and reasonable in these circumstances for MMF to continue to seek repayment of the outstanding debt from Ms R (to the extent that it's legally entitled to do so). I find that it wouldn't be fair or reasonable for me to require MMF to stop contacting Ms R about the debt, to waive the debt or to take any other action in response to her complaint.

MMF has recently offered to reduce the amount owed in return for repayment. It is for MMF to decide whether it still wants to honour this when both parties discuss how and when the amount outstanding is repaid.

I do not uphold Ms R's complaint and conclude, based on the information provided, that she more likely than not owes MMF £501.70.

**my final decision**

My decision is that I don't uphold Ms R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 13 March 2019.

Mark Richardson  
**ombudsman**