

complaint

Mr I complains that 1st Credit Limited is harassing him for payment despite him explaining the debt is in dispute.

background

Mr I says that he is in dispute about his debt and that because of this the original owner should not have sold it to 1st Credit. He says that he has explained the situation to 1st Credit and said that he wants his debt transferred back to the original owner but it has not done this.

Mr I says that 1st Credit is harassing him for payment and has sent him a letter threatening bankruptcy.

1st Credit says that it became the legal owner of Mr I's debt in June 2013 and that he was told about this in July 2013. It says that following Mr I's contact requesting a copy of his original agreement and information about his dispute it has contacted the original debt owner. It says it has provided Mr I with the information it has received.

The adjudicator was satisfied that 1st Credit had made reasonable enquiries when Mr I made it aware of his dispute. She said it was 1st Credit's decision as to whether or not to return the debt. The adjudicator did not consider 1st Credit's amounted to harassment.

Mr I did not agree. He sent a copy of a letter sent to him in July 2013 saying that bankruptcy proceedings were being considered. He also sent a copy of a letter from March 2014 which said Mr I's account would be put on hold while he contacted the original debt owner about a claim. Mr I says that his issue has not been resolved but 1st Credit continues to contact him for payment.

my findings

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

I understand that Mr I has an ongoing dispute about his debt. However, my role in this case is to decide whether 1st Credit has done anything wrong and if so what it needs to do to put this right.

I understand that Mr I says his debt should not have been transferred to 1st Credit, however I find that 1st Credit acquired the debt in good faith. Mr I was informed that 1st Credit was the new owner of his debt and provided with contact details.

Mr I has contacted 1st Credit about this dispute. 1st Credit has then contacted the original debt owner to get more information. This information has then been provided to Mr I. While I appreciate there have been delays in this process and the information was not always consistent, I find that 1st Credit has done what I would expect in this case by contacting the original debt owner.

1st Credit has put Mr I's account on hold and then contacted him again after this. Based on the information provided I do not find that 1st Credit has done anything wrong by contacting Mr I.

I understand that Mr I wants 1st Credit to transfer his debt back to the original owner however I find that this is a decision for 1st Credit.

I understand that Mr I has an outstanding dispute about his debt arising from the time it was with the original owner. However, I do not find that 1st Credit has done anything by not returning the debt to the original owner or by contacting Mr I about payment.

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 I to accept or reject my decision before 11 January 2016.

Jane Archer
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