

complaint

Mrs C has complained that MKDP LLP sent her confusing information about the legal ownership of a debt.

I note that Mrs C has also made a complaint against the original creditor, which does not form part of the complaint I am addressing here, which is specifically related to the actions of MKDP.

background

Mrs C originally owed a debt to a third party creditor. This debt was passed to MKDP, which then sent her a number of pieces of correspondence regarding it. Mrs C found this to be confusing and contradictory as to who the legal owner of the debt was. In particular, one letter enclosed the notice of assignment from the original creditor, but another said MKDP was acting on behalf of the original creditor, suggesting that legal ownership of the debt had not actually passed to MKDP.

It also seems that when Mrs C complained to MKDP, it sent her letters saying it was investigating. However, it has explained that it had not received a letter saying Mrs C was complaining about it – rather, it believed her to be asking for matters to be clarified with the original creditor, which it said it was seeking to do.

Mrs C has explained that the confusion caused showed poor customer service, and led to her needing to engage in further correspondence, to ensure she was not a victim of fraud.

The adjudicator agreed that the letters had caused some confusion. However, MKDP offered to pay Mrs C £50 compensation, which he considered to be appropriate. Mrs C disagreed, so the complaint has been passed to me for my final decision.

my findings

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

The letters appear to fall into two separate categories: (i) those regarding the legal ownership of the debt; and (ii) those regarding the investigation of Mrs C's complaint to MKDP.

I can see that the first letter MKDP sent contained the notice of assignment of the debt. Mrs C was concerned that this had not come from the original creditor, so made further enquiries with that creditor. I cannot comment here on what happened during those enquiries, as this complaint is against MKDP.

I believe that it was appropriate for MKDP to send the letter of assignment. Unfortunately, it later sent a letter which made the legal owner of the debt unclear. I am satisfied that this was a genuine error on MKDP's part. I agree that this would have been frustrating and confusing, and that Mrs C was entitled to know who the legal owner of the debt was. However, I am not persuaded that this error led Mrs C to feel that she may be the victim of a fraud, leading her to suffer distress. MKDP has agreed to pay £50 compensation for its error. I agree that this is appropriate in the circumstances, and that the position regarding ownership of the debt has been clarified.

I turn now to the issue of the letters regarding whether or not MKDP was investigating Mrs C's complaint against it. It seems the letters were sent to clarify that it was investigating Mrs C's concerns with the original lender, in order to resolve matters. I do not think this was inappropriate, or poor customer service. I accept a number of letters were sent, but this was while the investigation was ongoing, so was essentially keeping Mrs C updated that it was looking into her concerns.

my final decision

For the reasons given above, it is my final decision to uphold this complaint in part. I require MKDP LLP to pay £50 compensation to Mrs C in respect of the confusion caused.

Elspeth Wood
ombudsman