

complaint

Mr S complains Lowell Financial Ltd chased him for a debt that isn't his.

background

Lowell wrote to Mr S about money owing on a catalogue account. But Mr S said the debt wasn't his.

Following his complaint, Lowell cleared the account balance and said there wouldn't be any record of the debt on Mr S's credit file.

Our investigator didn't recommend the complaint should be upheld. She didn't think it was unfair for Lowell to chase Mr S for the debt, and she was satisfied it acted reasonably in doing so. Lowell had confirmed the debt was no longer payable and there was no default recorded on Mr S's credit file. The investigator didn't think Lowell needed to do anything else.

Mr S didn't agree with the investigator's conclusions so the complaint has been passed to me.

my findings

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

Lowell bought the debt in question from a third party in 2018. It contacted Mr S about the amount owing, but it seems it wrote to him at an address that wasn't his.

When Lowell didn't hear from Mr S it carried out another trace which identified his correct address. It wrote to him again and Mr S responded to say the debt wasn't his.

Lowell sent Mr S the details it had about the debt and said it would freeze the account while he checked his records. In response, Mr S complained and maintained that the debt wasn't his.

In response to Mr S's complaint, Lowell cleared the account balance and said there wouldn't be any trace of the debt on his credit record.

I'm mindful that when Lowell first contacted Mr S it wrote to him at a different address. This was the address on the credit agreement. From what I've seen, I'm not persuaded that Mr S has ever lived at that address.

Lowell traced Mr S to his correct address. But given the address discrepancy I think it would've been reasonable for Lowell to carry out further checks when Mr S told it the debt wasn't his. I don't think it was reasonable for Mr S to have to complain to prompt Lowell to review the account.

Lowell reduced the account balance to zero and said there would be no record of the debt on Mr S's credit file. I think that's reasonable, but I also think Lowell should pay £100 to Mr S for its poor handling of the matter when he first told it the debt wasn't his.

my final decision

My decision is that Lowell should pay £100 to Mr S, in addition to the action it has taken to clear the account balance and correct Mr S's credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 December 2019.

Caroline Stirling
ombudsman