

complaint

Mr I complains that Lowell Portfolio I Limited is seeking repayment from him for a debt that he owed to a third party.

background

Mr I had a credit card account with a third party. The account was in arrears and Mr I was contacted about the debt by debt collection agencies acting on behalf of the third party. The third party then sold the debt of £3,907.64 to Lowell in November 2017. It contacted Mr I about the debt but he said that he'd complained to the third party so it put the account on hold. Mr I complained to Lowell in March 2019 but wasn't satisfied with its response so complained to this service. He also complained to this service about the third party but that complaint wasn't upheld.

The investigator didn't recommend that Mr I's complaint about Lowell should be upheld. He didn't think that Lowell had done anything wrong by purchasing the debt and he thought that it was reasonable for it to have contacted Mr I about repaying the debt. And he didn't think that it was unreasonable following the twelve month period when collections were put on hold that it contacted him again. So he didn't think that Lowell had been unfair in the way that it contacted Mr I about the debt.

Mr I has asked for his complaint to be considered by an ombudsman. He says, in summary, that the third party should've accepted his repayment offer of £5 each month but ignored it and that he provided information to other debt collection agencies that contacted him about his debt. He also says that this process has increased the amount that he owes and has resulted in him losing a credit card account.

my findings

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

Mr I has made a separate complaint to this service about the third party's actions in connection with his debt. A final decision was issued on that complaint in May 2019 and his complaint wasn't upheld. Mr I then made this complaint about Lowell. But I can only consider the actions of Lowell after the debt was assigned to it – and not the actions of the third party.

The debt was assigned to Lowell in November 2017 and it issued a notice of assignment to Mr I the following month which showed that the amount that he owed was £3,907.64. Mr I has contacted Lowell since then about the amount of the debt and it has put the account on hold and asked him how much he could afford to pay. But I've seen no evidence to show that Mr I has provided Lowell with any of the information that it had requested from him or that he's made a repayment offer to it.

I consider that the third party was entitled to assign Mr I's debt to Lowell and I've seen no evidence to show that the assignment was handled incorrectly. The amount that Mr I owed to the third party at the time of the assignment was £3,907.64 and I'm not persuaded that there's enough evidence to show that the amount of the debt that was assigned to Lowell was incorrect.

I sympathise with Mr I for the issues that he's experienced. And if he's suffering from financial difficulties, Lowell Bank is required to respond to those difficulties positively and sympathetically. But I'm not persuaded that there's enough evidence to show that Lowell has dealt with Mr I incorrectly in connection with the debt that he owed to the third party and that was assigned to Lowell. So I find that it wouldn't be fair or reasonable in these circumstances for me to require Lowell to reduce the amount that is owed to it by Mr I or to take any other action in response to his complaint.

my final decision

For these reasons, my decision is that I don't uphold Mr I's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 27 September 2019.

Jarrold Hastings
ombudsman