

complaint

Mr E complains that Idem Capital Securities Limited (trading as Idem Servicing) is chasing him to pay an unenforceable debt it doesn't own – and harassing him by using multiple debt collectors.

background

In 2007 Mr E entered into a hire purchase ("HP") agreement with a third party – which I shall call "A". In 2014 he was contacted by Idem Servicing about the debt. Mr E says the debt is unenforceable and he wants to see proof that it was assigned to Idem Servicing. He considers Idem Servicing has breached industry rules and legislation by using multiple third party debt collectors. And he says its actions amount to harassment.

Idem Servicing says it bought the debt from A and sent Mr E notice of the assignment. And the method of collection didn't change - as it continued to use the debt collectors A had instructed. It accepts that Arden Credit Management contacted Mr E as well. But that's Idem Servicing's in-house credit management team, so there was no breach of any relevant rules or legislation or any harassment.

Our adjudicator didn't recommend the complaint should be upheld. She says ideally Arden should have made it clear to Mr E that it was part of Idem Servicing's credit management team. But she's satisfied that Idem Servicing didn't intend to mislead. And when Mr E complained he didn't know who Arden was, Idem Servicing explained and apologised for any confusion. She's not persuaded what happened amounts to harassment, in the circumstances. She's satisfied Mr E was properly notified when the debt was assigned - and only a court can decide if it's enforceable.

Mr E disagrees. He says Arden has a different address, so it looked as if a separate company was chasing him. He would like Idem Servicing to write off the debt.

my findings

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

I can see Mr E is upset that Idem Servicing contacted him about a debt he had with A. And he wants Idem Servicing to prove it owns the debt now. Idem Servicing and A both wrote to Mr E in June 2014. And I'm satisfied these letters explain, and give Mr E proper notice, that the debt was assigned.

Mr E says Idem Servicing ignored his claim that the debt is disputed and unenforceable. He considers Idem Servicing should have suspended recovery action while it investigated.

I'm satisfied that Idem Servicing considered Mr E's argument, but doesn't accept it. Its position is that the debt is enforceable. Ultimately, as our adjudicator has explained, only a court can decide - I have no powers to do so. But Mr E doesn't say he didn't take out the credit agreement or have the benefit of it. So I'm not persuaded that Idem Servicing was wrong to seek to recover the debt, in the circumstances.

Mr E considers the steps Idem Servicing took breach industry rules and legislation. I want to assure him that I have taken everything he has said into account. And I have reviewed carefully the content and frequency of the communications he received.

I can see that, having initially been told his debt was assigned to Idem Servicing, it may have been troubling for Mr E to be contacted by Arden – a business he hadn't heard of. Mr E says he checked Arden's correspondence address and it's different to Idem Servicing's. So he believed Idem Servicing instructed multiple third party debt collectors – and such conduct amounts to harassment.

Arden's correspondence address is different to Idem Servicing's. It has a different post office box number. But the rest of the address is the same. And Arden's address is set out at the end of its letters - immediately above the following wording "*Arden Credit Management is a trading style of Idem Capital Securities Limited*". And the letters also provide the registered address and registered company number for Idem Capital Securities Limited.

So, while I can see that it might have been clearer if Arden had explained its relationship to Idem Servicing in the body of its correspondence, I'm not persuaded Idem Servicing misled Mr E. And I'm satisfied that the correspondence Arden sent Mr E didn't chase payment anyway. So I can't reasonably find that Idem Servicing wrongly instructed multiple third party collectors to recover the debt.

And, in the circumstances overall, I'm not persuaded there are any grounds on which I can fairly find Idem Servicing harassed or otherwise treated Mr E unreasonably. I realise this decision is likely to disappoint Mr E. But, for the reasons I have given, I can't uphold his complaint.

my final decision

My decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr E to accept or reject my decision before 26 March 2015.

Claire Jackson
ombudsman