

## **complaint**

Mr F complains about debt management activities carried out by Apex Collections Limited trading as Apex Credit Management ("Apex").

## **background**

Apex carries out debt collection activities on behalf of lenders with regulated credit agreements. Mr F had a debt owed to a creditor which had been outstanding for some time.

In March 2013, Mr F received a letter from the owner of the debt. This told him that the debt had been transferred to Apex to see if it could recover some of the outstanding sum. Apex also wrote to Mr F to explain its role.

Mr F is unhappy at the way Apex has tried to recover money from him. He is particularly unhappy with a letter he received from Apex's solicitors. This threatened him with court proceedings which "may" be taken if the debt is not repaid.

Mr F complained about the letters he had been sent. He asked Apex to send him a copy of the Deed of Assignment and Deed of Novation. It explained this was not possible as it had not bought the debt. Apex told Mr F that he could obtain a copy of the original credit agreement if he paid a £1 fee. He could also make a subject access request if he paid £10.

Mr F is not prepared to pay the £1 fee as he says it is an admission of the alleged debt. He brought a complaint to us to consider.

The adjudicator did not recommend that the complaint should be upheld. She considered that the letters sent to Mr F make Apex's role as a debt collection agency clear. The adjudicator concluded that Apex had acted reasonably in telling Mr F that court proceedings may be taken to recover the outstanding sum. Further it was fair that Mr F pay the £1 statutory fee to obtain a copy of the original credit agreement.

Mr F does not agree. He is unhappy that he was threatened with legal action. He says this caused him stress and depression.

## **my findings**

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

### Debt collection

I consider that it was reasonable for the debt owner to pass the outstanding debt to Apex to allow Apex to try and recover some of the money owed. The letter to Mr F made it clear that the debt owner had appointed Apex to carry out debt collection activities on its behalf. The terms and conditions of the original credit agreement allow the debt to be passed to a debt collector if sums due under it are not repaid.

### Actions of Apex

Again I find it reasonable for Apex to warn Mr F that it may take legal proceedings to recover the outstanding sum. I appreciate that this may have caused him stress and anxiety. The letter from Apex did not say that legal action will definitely be taken. Further it does not tell Mr F that proceedings have been started in the courts. Instead the letter lets him know that

this is a possibility if the outstanding money is not repaid. I consider that the reference to legal proceedings was reasonable. The balance has been outstanding for some time. It is fair that steps are taken by the agents of the debt owner to try and recover it.

Fee

I find that Apex was entitled to ask Mr F for the statutory fee of £1 to allow him to obtain a copy of the original credit agreement. I note that Mr F has now received a copy of this document.

**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 F to accept or reject my decision before 16 January 2015.

Rosemary Lloyd  
**ombudsman**