

complaint

Mr L complains that Moorcroft Debt Recovery Limited (Moorcroft) are pressurising him to make payments against a debt he doesn't think he owes and that they haven't taken account of his mental and physical disabilities.

background

Mr L opened a credit card account in 2007 and in April 2014 the credit card provider asked Moorcroft to help them recover the outstanding debt of over £2,500. But Mr L has queried whether he owes that money. He says that Moorcroft has no right to chase him for the debt and that, despite requests; they have been unable to show that the debt exists.

He also says that since they took over the debt they have been pressurising him to make payment arrangements. He says that, as he has physical and mental health issues that make him confused and anxious, they shouldn't have done this.

Moorcroft say that the credit card provider is entitled to ask them to assist with the debt collection. And they have provided a statement of account from the credit card provider to show the debt exists. They say that they've had no contact with Mr L other than in the letters they've sent him and, as he hadn't made them aware of his disabilities; they couldn't have been expected to take them into account.

But Mr L didn't agree with Moorcroft and he asked our service to take a look at his complaint. Our investigator didn't think they had done anything wrong. She said that if Mr L had a query about the debt he should raise it with the credit card provider to give them a chance to respond but she was satisfied that Moorcroft had been appointed by the credit card provider to recover the debt; that the debt they had been asked to collect was the one they were collecting and that there was no evidence they had pressurised Mr L.

Mr L didn't agree. He asked for an ombudsman to look at the complaint. He stressed that he didn't believe he owed money to the credit card provider and therefore couldn't owe money to the debt collection agency, Moorcroft. And he didn't think our investigator had fully considered all of the points he'd raised in his complaint.

my findings

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

I know it will disappoint Mr L but I agree with the investigator's view of this complaint and for similar reasons. I'll explain why.

Mr L's complaint is that Moorcroft has no right to chase the debt and that the debt they are chasing may not even exist. He also says that they have unnecessarily pressured him and have not taken into account his disabilities.

did Moorcroft have the right to collect the debt?

I can see that the credit card provider wrote to Mr L in April 2014 and told him that they were passing his debt to Moorcroft who would help them to collect it. I can see that section 16.5 of Mr L's credit card agreements terms and conditions allow them to share information with:

"other companies ...that help us recover debt"

So the credit card provider was allowed to ask Moorcroft for help and Mr L was told they were doing so.

I can also see that in May 2014, Moorcroft wrote and introduced themselves to Mr L as the company who would now collect the debt. So I think they acted correctly by making sure Mr L knew he was now dealing with them.

did they take account of Mr L's disabilities?

Moorcroft say that Mr L didn't tell them about his disabilities and Mr L hasn't provided any evidence to the contrary. So it wouldn't be fair of me to suggest they should have treated him any differently.

did they pressurise Mr L?

I can see that Moorcroft did send letters to ask Mr L to contact them about arranging a repayment plan. They did this about every six months but Mr L didn't contact them, so they didn't have any conversations and I don't agree that they put him under any pressure. I think the letters they sent were reasonable and not too frequent.

does the debt exist?

I've seen a recent statement from the credit card provider and it's evident that Moorcroft are chasing the debt that is on that statement and that they've been asked to chase.

If Mr L disagrees with the debt that has accumulated on his credit card he should contact the credit card provider and give them a chance to look into his complaint. If he's unhappy with their response he can then contact this service but he should allow them to review his complaint first.

With regard to this complaint against Moorcroft I am satisfied that they have been correctly appointed to recover a demonstrably outstanding debt and that they have handled the collection of that debt in a responsible way. So I'll not be asking them to take any further action.

my final decision

For the reasons given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 5 February 2018.

Phil McMahon
ombudsman