

## **complaint**

Mr W complains that 1st Credit Limited engaged debt collectors to pursue him for repayment of a debt which he challenges. He also complains that it has unlawfully recorded a default on his credit file.

## **background**

A default was recorded against Mr W's account in May 2011. In November 2013, the original account owner sold the debt to 1st Credit.

1st Credit sent a collections letter to Mr W in December 2013. After this, Mr W wrote to 1st Credit asking for proof of its claim. A number of letters were sent by Mr W and responded to by 1st Credit over the following months.

1st Credit says that it has provided copies of statements from Mr W's account as well as letters showing it is the legal owner of the debt. It says that it sent Mr W letters about a repayment proposal but it did not receive a proposal from him. It then transferred Mr W's account to a collections agent.

The adjudicator did not recommend that the complaint should be upheld. She concluded that 1st Credit is the legal owner of the debt and that it was within its rights to request Mr W repay the debt.

Mr W did not agree. He said that there is no signed copy of any account agreement between him and the original account owner or with 1st Credit. He said the debt could not be enforced and that contacting him about repayment was harassment.

## **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 have looked at the copies of the account statements provided by the original owner of Mr W's account and letters sent to Mr W from the original owner informing him that his account had been assigned to 1st Credit. 1st Credit also sent Mr W a letter explaining it was the new legal owner. Based on this I find 1st Credit is the owner of the account.

I have looked at the correspondence between Mr W and 1st Credit and I find that 1st Credit has provided Mr W with responses to his questions. It has also given him the opportunity to discuss a repayment proposal. Because Mr W did not provide repayment proposal, I do not find it unreasonable that his debt was transferred to a collections agent.

Overall, I do not find that 1st Credit has done anything wrong and because of this I do not require it to pay Mr W any compensation.

**my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 November 2015.

Jane Archer  
**ombudsman**