

## **The complaint**

Ms J and Mr J complain about the way Link Financial Outsourcing Limited managed an outstanding debt, they owe to it, since 2005, and secondly that they have unfairly been applying interest to that debt.

The Link Financial Outsourcing Limited was previously called another name, for ease of reading throughout this decision I will refer to them only as Link Financial.

## **What happened**

Ms J and Mr J took out a loan in July 2000 with "Bank A". Due to a change in circumstances they fell behind with the loan. Bank A sold the account to Link Financial in July 2004.

From 2004 Mr J had an arrangement to pay £50 per month towards the loan debt, with Link Financial. This arrangement continued until 2011, when due to Mr J's affordability it reduced to a payment of £5 per month. Mr J stopped making contributions towards the debt in October 2014.

In the original credit agreement, it states the interest rate to be 23.8% APR. From the time of it purchasing the loan account, Link Financial continued to apply interest to it until April 2010, even though Mr J had asked it to stop. So, the amount owing has increased over the time it has owned the account.

Mr J has had the majority of the contact with Link Financial over the years and he feels that it has been mismanaged. And so on behalf of himself and Ms J, he complained to Link Financial. Link Financial didn't uphold the complaint and told Mr J he was still liable for the full amount outstanding. Mr J then brought his and Ms J's complaint to this service.

Although he was unhappy with Link Financials' overall management of the account he specifically complained about the following points:

- Link Financial acted unfairly in continuing to apply interest to the account until 2010
- Mr J had made an unsuccessful PPI claim under the original agreement and he didn't feel this was fair and so feels the PPI had been mis-sold to him
- The way Link Financial has pursued the debt over the last 15 years
- the debt should now be statute barred
- the amount Link Financial is pursuing is incorrect
- Link Financial had taken too long to provide him with a copy of the original credit agreement when he had requested it.
- Link Financial would not tell him how much it had purchased the account for when he asked
- Link Financial has changed its name more than once and contacted him under those different names
- Mr J should not be liable for the full amount of the debt as both he and Ms J took the loan as joint applicants
- Link Financial had not aided him in clearing the outstanding debt

I issued a decision in August 2021 explaining that I thought we weren't able to consider all of the points that had been raised in the complaint. The decision laid out the following:

**We can't consider**

- Link Financial acted unfairly in continuing to apply interest to the account until 2010
- He had made an unsuccessful PPI claim under the original agreement and he didn't feel this was fair and so feels the PPI had been mis-sold to him

**We shouldn't consider as its more suited to court**

- The debt should now be statute barred

**We can consider partly**

- The way Link Financial has pursued the debt over the last 15 years – but only what has happened since 23 March 2014 and nothing prior to this.

**We can consider**

- The amount Link Financial is pursuing is incorrect
- Link Financial had taken too long to provide him with a copy of the original credit agreement when he had requested it.
- Link Financial would not tell him how much it had purchased the account for when he asked
- Link Financial has changed its name more than once and contacted him under those different names
- Mr J should not be liable for the full amount of the debt as both he and Ms J took the loan as joint applicants
- Link Financial had not aided Mr J in clearing the outstanding debt

The investigator that originally handled the complaint previously explained that he didn't uphold Ms J and Mr J's complaint. In summary he said:

- He'd seen the statements for the account and was unable to see any errors and so couldn't fairly say the amount that Link Financial is pursuing was incorrect.
- He'd seen screenshots from the account history notes where Mr J had requested a copy of the credit agreement in November 2014. Link Financial requested a copy of this from the original lender and received it in December 2014, it forwarded this to Mr J in January 2015. So, he didn't think Link Financial had done anything wrong here.
- Link Financial has no obligation to tell Ms J and Mr J how much it paid when purchasing the debt from the original lender as this information is legally and commercially sensitive.
- It is a commercial decision for a business to change its name, and not for us to say if it should or shouldn't.
- The original credit agreement that Ms J and Mr J took out made them liable both jointly and severally. This means that as well as being responsible together for the full amount each party is responsible for the full amount as if they were a sole customer. And so, Link Financial isn't acting unfairly in pursuing Mr J for the full amount.
- Link Financial has accepted both reduced payments and token payments from Mr J, in the past, towards this account. And has asked Mr J to contact it to set up an

affordable arrangement plan. So, he was satisfied Link Financial had tried to aid Mr J in clearing the outstanding debt.

Ms J and Mr J have already indicated that they didn't agree with the investigator's opinion. As a result, I'll now consider the issues we are able to look into and make a final decision on the matter.

### **What I've decided – and why**

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

Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on a specific point, it's not because I haven't considered it but because I don't think I need to comment on it in order to reach the right outcome. And I have to tell Ms J and Mr J that I have reached the same outcome as the investigator and for broadly the same reasons. I'll explain.

### **The amount Link Financial is pursuing is incorrect**

Having studied the statements of account I can see no obvious errors that would enable me to conclude that the balance is incorrect. The investigator, in his original opinion did say if Ms J and Mr J had any further evidence to support the balance being incorrect then he would consider this. As no evidence has been provided, it's reasonable to assume there is nothing further to support this. Therefore, I cannot see that Link Financial is pursuing an incorrect amount on this account.

### **Link Financial had taken too long to provide him with a copy of the original credit agreement when he had requested it.**

I can see from Link Financial's system records that it received a letter from Mr J on 24 November 2014, where he requested a copy of the original credit agreement. It is noted that it sent a request to the original lender the same day to ask for a copy of this. The system notes show these were received on 12 December 2014. And a copy was posted to Mr J on 5 January 2015. Mr J has said he never received this, but I can't hold Link Financial responsible for any failings with the postal service. It has shown evidence the letter was sent, and in a reasonable timeframe from when Mr J requested it. So, I can't fairly say Link Financial has acted unfairly here.

### **Link Financial would not tell him how much it had purchased the account for when he asked**

I understand Ms J and Mr J's desire to know how much Link Financial has paid to purchase their account from the original lender. But it is not obliged to tell them, the information is commercially sensitive and is part of an agreement between Link Financial and the original lender and has no bearing on Link Financial's entitlement to pursue the full amount of the debt. It follows I won't be asking Link Financial to disclose this.

### **Link Financial has changed its name more than once and contacted him under those different names**

My role here is not to tell Link Financial how it should conduct its day-to-day running of the business, it is only for me to ensure that it follows its policies and procedures and treats its customers fairly. A change of name is part of the day-to-day running of the business and is purely a commercial decision and not for me to become involved with. Link Financial is

entitled to change the name of its business, this doesn't change its ownership of the account and so I would expect it to let its customers know when it contacts them that it is now using a new name. And so, I can't say that Link Financial has done anything wrong when contacting Ms J and Mr J under its new names.

### **Mr J should not be liable for the full amount of the debt as both he and Ms J took the loan as joint applicants**

I've looked at the original credit agreement states:

*'Where two or more persons are the Customers, references in this agreement to the Customer means each and every Customer. The liability of each Customer to FNB is joint and several, which means that, in addition to being responsible together each Customer is responsible in full for all obligations under this Agreement as if they were the sole Customer.'*

Because of this Link Financial is entitled to pursue both Ms J and Mr J for the entire debt both together and separately until the debt is satisfied. So, I don't uphold this point of Ms J and Mr J's complaint.

### **Link Financial had not aided Mr J in clearing the outstanding debt**

I understand Mr J would like Link Financial to assist him in paying the outstanding debt by offering a reduced settlement. As I've said before, it's not for me to tell Link Financial how it should conduct the day-to-day running of its business. And as such I cannot ask it to do this as this would be its own commercial decision to make.

But just because Link Financial has not chosen to offer a reduced settlement, I don't think that means it hasn't tried to assist Mr J to clear the debt. It has, over the years, taken both reduced payments and token payments to meet with Mr J's affordability at the time.

Link Financial has asked Mr J to contact it so that an affordable payment arrangement can be set up. I would strongly urge Mr J to take Link Financial's offer up here.

### **The way Link Financial has pursued the debt since 23 March 2014**

I've looked at the contact between Link Financial, Ms J and Mr J since 23 March 2014 to date. I can see Link Financial has sent contact and trace letters to both Ms J and Mr J during this time, there has been a total of four letters sent to Ms J and eight letters sent to Mr J. I don't think a total of twelve letters sent between both parties is an unreasonable amount.

I've also looked at calls between the parties during the same period. There has been a total of 39 outbound calls from Link Financial to two numbers, one landline and one mobile number, of these 23 were unanswered, 16 went to answer phone. Again, I don't consider 39 calls over a six-year period to be excessive or unreasonable. It follows, I don't believe Link Financial has acted improperly in the way it's made contact with Ms J and Mr J in pursuit of the debt.

So overall, I can't fairly say Link Financial has treated Ms J and Mr J unfairly in its handling of their account. I know Ms J and Mr J will be disappointed with this outcome. But my decision ends what we – in trying to resolve their dispute with Link Financial – can do for them.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J and Mr J to accept or reject my decision before 15 October 2021.

Amber Mortimer  
**Ombudsman**