

The complaint

Ms F complains that Link Financial Outsourcing Limited trading as Asset Link Capital (No.9) (Asset Link) have treated her unfairly following its purchase of her loan account from another lender.

What happened

Ms F took out a loan in April 2019, from a business I'll refer to as F. The loan purpose was for Ms F to support living costs while studying. The repayments were structured so that she would pay a reduced payment of £60 per month for the first forty-four months and the full payments of around £210 would be payable from month 45 – January 2023.

Sometime after the loan was taken, but before November 2022, Ms F moved home, she didn't update her address with F.

In November 2022, Asset Link took over Ms F's loan account from F and she was sent a letter explaining this. In December 2022, Ms F's direct debit payment was returned, as the direct debit was cancelled.

In January 2023 Asset Link also sent Ms F a welcome letter. This letter was returned, as Ms F no longer lived at the address, so Asset Link emailed her asking her to get in touch, which she did. At the same time, she updated her address, reset her direct debit for payments to resume in February 2023 and discussed the arrears on the account, but didn't clear them or make any arrangement to do so.

Ms F said she had previously had an arrangement with F to extend the smaller £60 monthly payments, as she had had to extend her studying due to the Covid-19 pandemic. She agreed to send Asset Link all evidence she had relating to the agreement so it could consider it. She emailed them the following day asking for the payment plan to be extended until May 2023.

Asset Link said they would refer the request to management and come back to Ms F. When it didn't respond Ms F sent chaser emails, which it also didn't respond to. So, Ms F made a complaint to Asset Link, and to this service.

Ms S raised multiple issues that she was unhappy about:

- she wasn't made aware the loan account had been transferred from F
- she hadn't received an annual statement from Asset Link
- Asset Link should have asked her to update her correspondence address which could have prevented the issues that followed
- Asset Link hadn't notified her that her direct debit had been cancelled
- she felt Asset Link should provide her with an online way to track her account and the payments she makes to it

- Asset Link hadn't responded to her request to extend the payment plan

Asset Link didn't uphold her complaint but did pay her £30 to recognise the delay she experienced waiting for an answer to her request to extend the payment plan. Ms F remained unhappy and asked this service to look into matters.

Our investigator felt that Ms F's complaint should be partially upheld. I've summarised what they said below:

- the contract Ms F had entered into with F, had allowed F to transfer the account to a third party without the need for any prior warning being given to her. And that both a notification of sale letter and a welcome letter was issued to Ms F, as was to be expected. But as Ms F hadn't, in line with her obligations under the contract, kept her address details up to date, these had been sent to the incorrect address. So, Asset Link hadn't done anything wrong in this instance.
- Asset Link had shown it had sent annual statements to Ms F. They could see that these had been sent to the address Asset Link held on file, with the latest one being sent to Ms F's new address as it was issued after she had updated it. It would be unfair to hold Asset Link responsible for issues with the postal service, but if Ms F still hadn't received it, she should contact Asset Link to ask it to provide her with another copy.
- it was impossible for Asset Link to have been able to predict that Ms F would move home, so it wouldn't be reasonable to expect it to have asked her to update her address details in advance of the returned letters.
- Asset Link was not responsible for cancelling the direct debit, it had provided evidence to show the cancellation had been made by the payer – in this case Ms F.
- it is not for this service to tell a business to change their policies or procedures and as such we cannot ask Asset Link to provide an online way for Ms F to track her account.
- Asset Link should have responded sooner to Ms F's request to extend the payment plan. To recognise this, it should pay Ms F £150 for the inconvenience she suffered in having to chase for this.

Asset Link agreed to the investigator's findings.

Ms F responded initially saying her only concern was being able to track payments she was to make in the future. She later sent another response saying she would accept the matter as closed if we asked Asset Link to:

- Provide her with a monthly statement
- Clear all arrears and charges from the account
- Pay £500 in compensation to her

The investigator explained that she wouldn't be asking Asset Link to do those things as she didn't believe those to be fair. And we are an impartial service and not a consumer champion. Ms F then asked for an Ombudsman's decision.

The matter has now been passed to me to decide.

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.

I realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me. Having done so I have to tell Ms F that I'm partially upholding her complaint and have reached the same outcome as the investigator and for broadly the same reasons, so I'm unsure how much I can helpfully add here.

Asset Link accepted the investigator's findings in full. And from reading Ms F's responses it appears she also accepted the findings but disagreed with the redress the investigator suggested. And so all that's left for me to decide here is if the redress suggested is fair, taking into account what Ms F has requested.

I understand that Ms F would like Asset Link to provide monthly statements on the account, but this isn't a process it has in place and it's not for me to tell it to change its processes. Ms F has said she doesn't feel confident in making overpayments as she is planning to, because she has no way of seeing these have been credited to the account. But that's not the case, there is an option for Ms F to call or email Asset Link to make sure the payment has been received if she wants to make overpayments. So, I don't think Asset Link needs to do more than it is already here.

It's accepted by both parties that Asset Link did not respond to Ms F when she requested an extension to her repayment plan, and then didn't respond to her chaser emails about the same. So, I have to think about the impact that had on Ms F when deciding fair redress.

Ms F's account was already in arrears before she asked for a repayment plan extension. She had missed payments in December 2022 and January 2023, as well as payments earlier in the loan. So, I don't think the lack of response from Asset Link caused or contributed to the arrears on the account. Therefore, I don't think it would be reasonable for me to ask Asset Link to remove the arrears or charges from Ms F's account.

Ms F had to go to the trouble of sending chaser emails to Asset Link and was clearly and understandably frustrated by its lack of response. However, Ms F continued to make the £60 monthly payments while she was waiting for the response and so was effectively paying the same as the arrangement she was asking for. So, she wasn't out of pocket because of this, and as I explained above the account was already in arrears prior to the requests. This means the arrears were already being reported to credit reference agencies, as Ms F hadn't made all of her contractual payments.

Given this I think the impact here is the delays she experienced waiting for the response and the inconvenience and frustration of having to chase for an answer. I've considered that Asset Link have already paid Ms F £30 for this, and I think a further £150 is a fair reflection of the distress and inconvenience caused here.

I realise Ms F will be disappointed with this outcome. But my decision ends what we – in trying to resolve her dispute with Asset Link – can do for her.

Putting things right

On acceptance of this decision, Asset Link should pay Ms F £150 for the distress and inconvenience caused, this is in addition to the £30 it already paid to her.

My final decision

For the reasons set out above, I uphold this complaint and I require Link Financial Outsourcing Limited trading as Asset Link Capital (No.9) to carry out the actions set out under the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 12 December 2023.

Amber Mortimer
Ombudsman