

The complaint

Mr A says Link Financial Outsourcing Limited, trading as Asset Link Capital (No.9) (who I'll call ALC), should have passed his account to debt collection agencies and shouldn't have reported adverse information to his credit file.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

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 know it will disappoint Mr A, but I agree with the investigator's opinion. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

The terms of Mr A's original loan agreements allowed the lender to transfer ownership of the debts without informing him. That didn't affect Mr A's obligations to repay the agreement and neither did it affect his rights. So, when ALC took over the loans they would have the same obligations as the original lender had and one of those obligations was to accurately report account performance to the credit reference agencies.

I don't think I have information to suggest they have reported information inaccurately. ALC have explained that all three loans have now been defaulted and I can see that defaults were applied when all three accounts were in significant arrears. I don't think ALC had to comply with Mr A's request to transfer the debts to a debt collection agency. I can't see there would have been any benefit in that for Mr A. I'd expect ALC to be sympathetic to Mr A's financial difficulties and I think they were. They attempted to understand Mr A's financial circumstances and I can see that payment plans were established but, unfortunately, didn't resolve the situation.

Ultimately, I don't think I've seen anything to suggest ALC have done anything wrong here and I'm not asking them to take any action.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 March 2024.

Phillip McMahon
Ombudsman