

The complaint

Mr R complains that Link Financial Outsourcing Limited trading as Link Financial forged a notice of assignment (NOA).

What happened

Mr R has an outstanding debt which was originally owed to a business I will refer to as T. In July 2023, T assigned the debt to a third party which appointed Link Financial to manage the account.

Mr R made a complaint of harassment to Link Financial and submitted a subject access request (SAR). As part of its response to the SAR, Link Financial sent Mr R a copy of a NOA dated 11 August 2023, part of which used T's details and letterhead. Mr R says he had not received the NOA before.

Mr R thought that as the NOA with T's details on it, opened with "Hello Mr R" rather than "Dear Mr R" it might be fake, so he sent a SAR to T. Mr R says T told him that it had not sent the NOA. This led Mr R to conclude that Link Financial had forged the document.

Link Financial did not uphold his complaint and said it was not a fraudulent company. Link Financial said that as it was administering the debt on behalf of the new owner, it was entitled to try and contact Mr R to discuss repayment.

Our investigator did not uphold this complaint. She explained that it is standard practice for the new owner of a debt to issue the NOA on behalf of the original creditor. She assured Mr R that she had reviewed the NOA and was satisfied it was genuine. So, our investigator thought it reasonable for Link Financial to contact Mr R about the debt.

Mr R disagrees with the investigation outcome and remains adamant that Link Financial cannot send a NOA on T's behalf. He says that by doing so, Link Financial is in breach of The Consumer Protection from Unfair Trading Regulations 2008 (CPRs), Financial Conduct Authority (FCA) regulations and is guilty of misrepresentation. Mr R says that debt recovery companies must use their own letterhead.

Mr R refers to the Consumer Duty, principles for businesses laid down by the FCA and the FCA's supervisory powers saying that the misleading use of T's letterhead could be in breach of these duties and principles.

As Mr R disagrees with the investigation outcome, the complaint has come 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 am grateful to Mr R for the points that he has made in response to the investigation outcome. I understand his concern about Link Financials' use of T's letterhead but as our investigator explained, it is common practice for the new owner of a debt to send the NOA

on behalf of the original creditor.

The Financial Ombudsman Service does not supervise or regulate the businesses that we cover – that role falls to the FCA. My role is to consider whether Link Financial has treated Mr R fairly.

The NOA which Link Financial sent came in two parts – one letter on Link Financial's letterhead which explains that the debt has been assigned to the new owner and Link Financial is taking over administration of the account. The other letter written on behalf of T, says that it has sold the debt to the new owner.

The Credit Services Association of which Link Financial is a member, publishes a code of practice. It says that members should provide a NOA to each customer that clearly identifies the new owner of the account and explains who will be managing the account. I am satisfied that the NOA which Link Financial sent identified the new owner and administrator. I can't fairly conclude that the NOA is fraudulent or forged.

Although Mr R says that T didn't include a copy of the NOA when it replied to his SAR, this does not seem surprising given that Link Financial sent it. Nowhere among the evidence that Mr R has supplied does it say that T denies assigning the debt to the new owner. So, I don't have reason to conclude the debt was assigned to the new owner without T's knowledge.

As Link Financial is administering the account on behalf of the new owner, I don't consider it unreasonable for it to contact Mr R to try and agree a repayment plan. I would however remind Link Financial of its obligation to treat Mr R fairly when responding to any payment proposals that he might make.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 17 September 2024.

Gemma Bowen
Ombudsman