

The complaint

Mrs G complains that Link Financial Outsourcing Limited trading as Asset Link Capital (No.7) (Link) are incorrectly reporting missed payments to her credit file.

What happened

Mrs G took out a loan in August 2018 with a business I'll refer to as N. The loan was due to be paid by monthly instalments of £178.45 for 59 months and a final payment of £178.26 being due in December 2023.

In April 2020, Mrs G fell into difficulties. Since then, she has had numerous reduced payment plans in place as well as a payment holiday and has only been able to pay her full contractual payment between April 2021 and August 2021. The payment plans have varied in terms of how much Mrs G has paid from £75, up to £125 which she was paying at the time of bringing this complaint to our service.

Although Mrs G is maintaining her reduced payment agreements Link are reporting missed payments to her credit file. She complained about this. Link didn't uphold Mrs G's complaint, in summary they said they were reporting a true and accurate reflection of her account by showing the account wasn't up to date but was in an agreed arrangement. They also explained that the remaining balance on Mrs G's account was now arrears and that if she was unable to clear the balance the account would progress through their default process.

Mrs G was unhappy with their response and asked our service to look into matters.

Our investigator didn't uphold Mrs G's complaint, in summary they said that Link was acting fairly and reporting a true and accurate reflection of Mrs G's account to the credit reference agency.

Mrs G disagreed and said she had made the same complaint previously and our service had upheld that complaint, and so she wanted an Ombudsman to consider this.

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.

While Mrs G's complaint has been with our service Link have let us know they have removed all adverse data from Mrs G's credit file and have confirmed to this service that as long as Mrs G maintains her current payment agreement, they will not record a default on her credit

file. They have confirmed that as of 23 April 2025 Mrs G is paying £125 per month towards the account and there is an outstanding balance of £821.60.

As Mrs G's complaint centred around the adverse data being recorded on her credit file there is very little left for me to decide, but for were Link fairly reporting it in the first place. And I think they were, I'll explain.

Mrs G complained to Link and subsequently to our service in 2022 as she said they were recording adverse information on her credit file – showing missed payments. Link settled this matter with Mrs G directly by agreeing to update the data they were reporting to show the account was in an arrangement. Mrs G agreed to the resolution offered and withdrew her complaint from our service.

When Mrs G brought her current complaint to our service it was because the data showing on her credit file was reflecting, the account was in arrears which was at odds with what she believed she had agreed with Link when resolving the earlier complaint.

Link have a duty to report true and accurate information about the status of accounts to a person's credit file and that is what they did here. I accept Mrs G had a reduced payment arrangement in place – but the fact of the matter is the account was behind where it should have been and that her contractual payments as set out in the original agreement hadn't been kept up with.

So, factually the account is in arrears and contractual payments have been missed, but there is an arrangement in place.

Link have provided evidence to us showing how they were reporting the information to the credit reference agency. The evidence shows the account is in arrears but that there is an arrangement in place – and this is visible to other potential lenders. Based on this I Can't fairly find that Link were reporting incorrect information to Mrs G's credit file and so I wouldn't normally recommend that they need to do anything to put things right.

However as noted above Link have already decided to remove the data and confirmed they won't report the account as defaulted. This is more than I would have asked them to do if I had upheld the complaint.

Link also asked this service to provide Mrs G's up to date contact details to them so they can make sure the current payment plan is affordable for her. With her permission we have done this and it is now for Mrs G and Link to work together to make sure the payment plan is affordable.

My final decision

For the reasons set out above my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 23 May 2025.

Amber Mortimer
Ombudsman