

The complaint

Mr W complains that Link Financial Outsourcing Limited trading as Link Financial (Link) failed to deal with his dispute about his account in a timely manner and didn't respond to his emails on numerous occasions.

What happened

I set out the background to this complaint and my initial findings in my provisional decision dated 14 March 2025 (below)

What happened

Mr W had a credit card, with a firm I'll refer to as B, where he had been making small payments over a number of years and in 2020, for reasons, I won't go into in this decision he stopped making his monthly payments. B defaulted the account and Mr W raised a complaint about B's handling of his account with our service. That complaint was concluded with a final decision on 24 March 2023. The complaint wasn't upheld in Mr W's favour.

In November 2022 B sold the account to a debt purchaser (DP) who appointed Link to service the account and a notice of assignment letter (NoA) was sent to Mr W explaining this.

Mr W contacted Link and raised a concern that B had sold the debt while in the middle of a dispute. Link contacted B to ask them about the dispute. B responded in January 2023, to say they couldn't find a dispute linked to Mr W's account – even though the complaint at our service hadn't yet concluded.

Mr W knew this was incorrect and contacted Link again a number of times in the months that followed to let them know this wasn't correct – he gave them evidence of the complaint number and explained that the issue was still in dispute. Link didn't deal with his correspondence and give him a full answer until they sent him a final response letter in June 2024. They didn't uphold his complaint and said B had told them there was no open dispute on Mr W's account when it was sold, and B were entitled to sell the account on under the terms and conditions of the account.

Mr W remained unhappy with this and brought his complaint to our service. While the complaint was with us Link made an offer of £100 compensation and an apology for their poor handling of Mr W's concerns and not responding to his correspondence when they should have.

Our investigator felt this offer was fair in terms of the inconvenience that had been caused to Mr W, when Link hadn't responded to him. They didn't uphold the other aspects of his complaint – that B shouldn't have sold the debt while there was an active dispute – as this wasn't Link's responsibility. They also said accepting the assignment of the debt was the responsibility of DP and not Link.

Mr W didn't agree the offer was a fair reflection of the errors Link had made and asked for an Ombudsman to consider this amount.

He also commented that he didn't think it was right that B could sell the debt to a business that was unregulated and therefore remove consumer protection. And he still didn't agree that B should have been allowed to sell the debt when it did – he believes B should have kept the debt so he could come to an agreement with them about settling it and having the default removed.

The matter has now been passed to me to decide.

What I've provisionally 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. If I've not reflected something that's been said in this decision it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

I'm aware our Investigator said there were elements of this complaint that Link wasn't responsible for. But, in my view by appointing a regulated debt servicer, DP passes on responsibility for all actions under Article 60B(2) to Link. So, I'll be taking the approach that Link is responsible for the activity of exercising the lender's – in others words the owner of the debt (DP) – rights and duties under a regulated credit agreement. So, I'll be considering these elements against Link.

Link have already accepted that they didn't record information on their system that Mr W sent to them, and this resulted in him not getting responses when he should have. They offered £100 for this. Mr W has said that he suffered years of inconvenience because of what B had done. While I understand that Mr W is still feeling very upset by B's actions, but I won't be commenting on them in this decision as my role here is to look at Link's actions only and the impact, they had on Mr W.

When thinking about the impact on Mr W I can't consider the issues that relate to the answers B gave to Link about the dispute being open as I think Link were entitled to rely upon those.

However, it's easy to understand why Mr W was so frustrated when trying to deal with Link, as I can see that Mr W sent emails to Link on numerous occasions that went unanswered. Additionally, I can see he called them on a few occasions too, highlighting the issue and trying to get confirmation they had received his emails. From the contact notes Link provided I can see on one of those occasions he called and asked if the information he had sent had been received. The call handler said it hadn't been and when Mr W said he had already resent more than once, the call handler gave him a direct email address to resend the information again. The notes say Mr W asked to be called back to confirm receipt of the information. I can see he also mentioned this in the email he sent through – but I can't see that he received a call back.

It's clear Link missed multiple opportunities to deal with Mr W's concerns and failed to respond to him on numerous occasions, so it wasn't just the one mistake. For that reason and the fact this went on for many months, meaning Mr W was put to the extra inconvenience of repeatedly having to chase them to help him, I think £200 compensation is more reflective of the impact their mistakes had on him.

Putting things right

To put things right here, on acceptance of this decision Link should pay Mr W £200 for the distress and inconvenience caused to him.

My provisional decision

For the reason's set out above, my provisional decision is that I uphold this complaint and will require Link Financial Outsourcing Limited trading as Link Financial to carry out the actions as set out in the 'Putting things right' section of this decision.

I invited both parties to respond to my provisional decision with any further comments they wanted to make.

Link didn't make any comments other than asking for the bank details to make payment to Mr W. I have taken this to mean they accepted my findings.

Mr W also responded, I've summarised his response in my own words.

He accepted my findings about the way Link handled his case and the compensation awarded. But made it clear the complaint was never about compensation but was more about what he felt to be the bullying tactics of large institutions but particularly B.

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.

As neither party has presented any new arguments or comments for me to consider, I see no reason to depart from my provisional decision that this case isn't one this service can consider.

I would like to reassure Mr W that I do understand this complaint was not about compensation for him, but a bigger picture that fell outside the realms of this complaint about Link.

Putting things right

To put things right here, on acceptance of this decision Link should pay Mr W £200 for the distress and inconvenience caused to him.

My final decision

For the reason's set out above, my final decision is that I uphold this complaint and require Link Financial Outsourcing Limited trading as Link Financial to carry out the actions as set out in the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 April 2025.

Amber Mortimer
Ombudsman