

The complaint

The estate of Mr B complains Link Financial Outsourcing Limited have an outstanding debt which they don't think is valid.

Mr B is dealing with the estate, so for simplicity I'll mainly refer to him in this decision.

What happened

An account in the name of the late Mr B was taken out and subsequently fell into arrears. Link were asked to service the debt on 29 November 2021.

When reviewing the estate's financial affairs, Mr B found this account – and didn't think it belonged to his brother because he kept all paperwork regarding his financial affairs, but Mr B couldn't find anything for this account. So, he asked for proof his brother knew about the account.

Mr B was unhappy with the service he received when speaking to Link – mainly that they didn't reply to any of his correspondence. And he wasn't happy with the time taken to provide evidence of the account.

Link said they provided to Mr B a copy of the credit agreement and statements. They said the delay in getting the statements sent over was because they had to wait for the original lender to provide them. Link said the balance had never been disputed before, and they felt it was properly owed.

Unhappy with this, Mr B asked us to look into things. While this was ongoing, he raised a new complaint about the Specialist Support Team (SST) not being able to communicate by email – which is something Mr B wanted as he finds telephone conversations difficult.

One of our Investigators found Link's customer service was poor and awarded £250 compensation. But, she didn't think Link had done anything about with expecting the debt to be repaid.

Link accepted this outcome, but Mr B didn't. I've copied the key part of his response below:

"Link Financial also state in their reply that I did not believe the account was in relation to my brother. Rule 7.14.4 states 'Where there is a dispute as to the identity of the borrower or hirer or as to the amount of the debt, it is for the firm (and not the customer) to establish, as the case may be, that the customer is the correct person in relation to the debt or that the amount is the correct amount owed under the agreement.' Link Financial would appear to claim that they have conformed with this rule by stating that at no time did my brother dispute the account. If you are unaware of the account, how can you dispute it? Link Financial have not provided any evidence to that my brother was aware of the account contrary to the aforementioned rule."

Mr B said he thought it was important an Ombudsman considered this, so the complaint's 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.

Our Investigator asked Mr B what was outstanding he wanted addressed – to which he said the above. So, I've taken this to be that he accepts the outcome regarding customer service – and how he personally was dealt with by the SST. I've reviewed both outcomes, and am satisfied they're fair to both parties – so I don't intend to go back over them in any detail except to say I'm satisfied the £250 award for customer service is a fair reflection of the inconvenience Mr B has experienced when dealing with the estate.

Moving on to the remaining issue Mr B is absolutely right, Link do have a duty to investigate if there is a dispute over the identity of the borrower. But, Link's responsibility to do this is somewhat limited because they're a debt servicer rather than the original lender.

What I mean by that is I know in this case Mr B doesn't think his brother took out this lending. So, he's essentially alleging fraud or a case of mistaken identity. Either way, the party who has most of the information given about the account, and whose responsibility it was to ensure the correct checks were carried out, was the original lender.

Link's responsibility, when a dispute is raised, is to look into the information they have and / or can request from the original lender. If that information reasonably shows the individual they're saying is responsible for the account is the correct person, then Link have fulfilled their responsibility. Link were able to obtain a copy of the original credit agreement – which had Mr B's brother's written details on it – plus some statements which were in the same name. I think it's reasonable for Link to rely on this.

Mr B says his brother was unlikely to have completed an application in writing because he did most things online, and there was no record anywhere of this account when there were meticulous records of every other financial transaction. Clearly, from Mr B's perspective, those are grounds to question the account because that's not in keeping with his understanding of how his brother operated his finances which makes complete sense. But I think it's fair to say these points aren't objectively conclusive evidence the account wasn't Mr B's brother's.

In the circumstances I'm satisfied Link have done what they were required to do by obtaining the credit agreement and a statement of the account. These were in the right name, so Link have done all they needed to.

I'm aware Mr B is in the process of disputing the account now with the original lender. I'd expect Link to handle things sensitively while the dispute is ongoing.

My final decision

I partially uphold this complaint and require Link Financial Outsourcing Limited to pay the estate of Mr B £250 for the inconvenience caused by their poor customer service.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr B to accept or reject my decision before 4 September 2025.

Jon Pearce
Ombudsman