

The complaint

A limited company, which I'll refer to as 'A', is unhappy with the service it received from Westcot Credit Services Limited.

A's complaint is brought to this service by it's director, whom I'll refer to as 'Ms K'.

What happened

A had a Bounce Back Loan ("BBL") with a well-known credit provider (which I'll refer to as 'X'). Westcot received an instruction from X to take over collections and recoveries action on A's BBL, and Westcot attempted to contact the directors of A to discuss repayment options with them.

Westcot then received a letter from A's directors explaining that one of the directors had significant health issues. Because of this, Westcot transferred A's account to its Customer Support Unit ("CSU") which was best placed to provide the most appropriate support to A's directors that Westcot could offer.

Westcot's CSU approached A's directors again, in consideration of the personal information previously received, and explained that they required some information about A to enable them to better understand how they should administer A's account. A's directors weren't happy about being contacted by Westcot and approached X, who contacted Westcot and asked for a hold to be placed on any recovery action.

A complaint was raised against Westcot as A's directors weren't happy with the frequency or tone of the contact they'd received from Westcot about the BBL. Westcot responded to the complaint but noted that they had taken the personal information provided by A's directors into account and didn't feel that they'd done anything wrong by administering A's account as they had. A's directors didn't agree, and so the complaint was referred to this service.

One of our investigators looked at this complaint. But they didn't feel that Westcot had acted unfairly towards A and so didn't uphold the complaint. A's directors remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

Having done so, I note that Ms K has provided several detailed submissions to this service regarding A's complaint. I'd like to thank Ms K for these submissions, and I hope she doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Ms K notes that I haven't addressed a specific point she's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read

and considered all the submissions provided by both A and Westcot. This means that will I have considered that point, but don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

I make these opening remarks because it's clear that much of Ms K's dissatisfaction arises from the personal impact she feels that Westcot's actions have had on her and the other directors of A. However, the rules by which this service must abide – which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – include a strict definition of who can, and who cannot, can be considered as an eligible party to a complaint by this service.

In this instance, the eligible party is A, the limited company. This is because the complaint arises from an account – the BBL – that is held by A in its name. This means that Ms K and her fellow directors are not eligible parties to this complaint in their personal capacities.

One consequence of this is that I can't consider any personal upset or frustration that the directors of A may have experienced. Instead, I can only consider the impact of what has happened on A, the limited company. And while a person, such as Ms K, can be upset or frustrated, a limited company cannot.

This isn't to say that Ms K and her fellow directors haven't been personally impacted by what has happened here. Indeed, given the unquestionably upsetting personal circumstances that Ms K has described, including the death of one director and another director suffering a severe stroke, I readily accept that Ms K and her fellow directors would have been personally impacted by events taking place at such a difficult time.

However, it is to say that any personal impact that A's directors may have experienced isn't something that I have the remit or the authority to consider here. As explained, this is because this is A's complaint against Westcot, and isn't a complaint raised in the personal capacity of A's directors. And because of this, the personal dissatisfaction of A's directors doesn't fall within the scope of eligibility for this complaint.

Ms K may ask why this complaint has been raised in the name of A, and not as a personal complaint made by A's directors. This is because, as I detailed above, A is the eligible complainant here, because the account from which the complaint arises – the BBL – is in A's name. This means that the A holds the relevant relationship with X so that it qualifies as an eligible complainant. But it also means that A's directors, in their personal capacities, do not hold the relevant relationship to qualify as eligible complainants – because the complaint does not arise from an account held in the personal names of A's directors.

I hope that the above clarifies why I'm unable to consider the personal upset of A's directors here. Having done so and having confirmed that I can only consider the impact of events here as they relate to A, the limited company, it seems to me that the crux of this complaint is whether Westcot should be considered to have acted unfairly towards A regarding how they've attempted to contact A's directors about A's account.

Having been assigned A's account by X, I feel that it was then reasonable for Westcot to attempt to contact A's directors to discuss the repayment of the outstanding BBL account balance. And I note that Westcot sent two letters to the directors or A at the business address provided to it by X and sent three text messages and made three phone calls to the mobile phone number provided by X as being A's contact number. This doesn't feel excessive or unreasonable to me, and it's in line with how I would generally expect a debt recovery agency such as Westcot to act upon receipt of a new debt recovery instruction.

I also note that having received a letter from A's directors advising of the poor health of one

of the directors, and having transferred A's account to its CSU, Westcot did continue trying to engage with A's directors. But while I appreciate that this would have been personally upsetting for A's directors, I don't feel that Westcot acted unfairly or unreasonably towards A in this regard. Or in its later persistence in trying to obtain information from A's directors to enable it to better understand how to most appropriately seek to recover the outstanding BBL balance from A.

I take this position because A owed an outstanding balance on its BBL. And I don't feel that it is reasonable to expect Westcot to have made no attempt to recover that balance, as it was tasked to do by X, even in consideration of the personal circumstances of A's directors that Westcot was made aware of. Instead, I would have expected Westcot to have been measured in its approaches to A's directors, which I feel Westcot was, including in how it attempted to obtain information from A that it felt that it needed (and which I feel it was still fair and reasonable for Westcot to attempt to obtain). And while I appreciate how that may have been personally upsetting for A's directors, I don't feel that there was any tangible adverse impact on A, the limited company.

Another important factor here is that the outstanding balance in question relates to a BBL. This is important because of the unique nature of the BBL scheme, which because it was designed to facilitate quick lending decisions during the Covid-19 global pandemic, included a relaxation of pre-lending credit checks. Because of this, the BBL scheme included the BBL guarantee – a guarantee provided by the British Government to lenders that any unrecoverable loans would be reimbursed to the lender.

However, the terms of the BBL guarantee are quite strict. A lender which wishes to claim reimbursement via the guarantee must be able to demonstrate that it has made all reasonable attempts to recover the money from the borrower. This includes that the account is passed to debt recovery agencies such as Westcot, who are then expected to demonstrate that they have made all reasonable efforts to recover the outstanding balance from the borrower. Indeed, it is only after all reasonable efforts to recover the outstanding balance have been made, and can be shown to have been made, that an application to recover the outstanding balance via the BBL guarantee can be made.

On consideration of these facts surrounding the BBL guarantee, it remains my position that I wouldn't reasonably expect Westcot to not approach A's directors about A's outstanding balance even in consideration of the personal circumstances of the directors as they explained them to Westcot.

I realise this won't be the outcome that A's directors were wanting, but it follows from all that I've explained that I won't be upholding this complaint or instructing Westcot to take any further or alternative action here. I hope that A's directors, including Ms K, will understand, given all that I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask A to accept or reject my decision before 16 September 2025.

Paul Cooper
Ombudsman