

The complaint

Mr C complains Link Financial Outsourcing Limited are asking him to repay a debt where he thinks the balance is incorrect.

What happened

The information I have shows an account in Mr C's name was taken out with a company I'll refer to as L. The account was defaulted on 17 October 2006 with an outstanding balance of £14,556.12 and was sold to a debt purchaser in December 2021. That debt purchaser has asked Link to service the account, and they've said at this time the balance was £13,157.86.

Mr C has said he was first contacted in August 2024 about an outstanding debt. He's explained he then contacted Link asking for copies of the credit agreement and statements.

Having then reviewed the information Link provided to Mr C, he's said he's paid off a surplus of £3,339.88, but Link are asking him to repay £13,157.86, so this doesn't add up.

Link said they'd shared the information provided by L and it looked like L only produced statements up to the date of the account defaulting – which is why they couldn't provide anything beyond 2006. They said if Mr C wanted more information he should contact L directly. Overall they didn't uphold Mr C's complaint.

Unhappy with Link's answer, Mr C asked us to look into things, saying Link have misled him since he got in touch about this issue.

While our investigations were ongoing, Link accepted they'd not handled Mr C's complaint properly. They got more information about transactions since 2006, said the balance was correct, but offered £100 compensation.

Mr C didn't accept this offer, so our Investigator considered things. Having done so, she felt Link had done all they could regarding the balance, and there wasn't anything obviously wrong with it – she provided a transaction listing and a letter shared with Link by L. She also felt the offer of £100 for Link's customer service was a fair answer to that point.

In response Mr C didn't agree with the outcome, in summary he said:

- He had no recollection of receiving the letter from L – but there were discrepancies regarding the date of the loan – as it mentions a loan from 2006, but apparently the loan in question was taken out in 2004 and he doesn't understand why that can't be confirmed.
- He had concerns over the transaction listing – because it didn't show any starting balance and commented he could be paying someone else's debt.
- Based on the original evidence, he said he'd paid a surplus of £3,339.88 but based on this new evidence he owed £3,407.97.

Mr C said until he gets further evidence of what the outstanding balance of £13,157.86 is made up of, the actual dates the loan was taken out and details of the loan he apparently took he couldn't agree with the outcome. 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.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said 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.

In general terms when Mr C disputed the amount Link were asking him to repay, they were then required to investigate this as a dispute.

Link aren't expected to acquire all records relating to an account when initially taking over a debt. This means they wouldn't necessarily have access to Mr C's statements to show him exactly how the balance had accrued. So, in those circumstances, I'd then expect Link to contact L to gather this information.

In practical terms, I think this is challenging in Mr C's case. I say that because the debt in question originates from the mid 2000's – I appreciate Mr C has a question over whether it was taken out in 2004 or 2006. This means the information Link can get from L is going to be limited – because at best it's 20 years old.

I've seen from Mr C's submissions Link have contacted L on a number of occasions to gather as much information as possible.

As I've set out above, this is as I'd expect. But, what this also means is Link are dependent on the information L can provide. I know Mr C has said he can't understand why these records aren't kept given the debt is still live. I can't comment on this, because it's a question for L not Link – as L are the party who held those records.

I've seen Link say to L they needed to understand why there was a difference in the balances and the transaction list they'd been provided doesn't explain this.

L then explained to Link the debt included consolidated debts from other accounts in Mr C's name. L also provided Link with a letter they'd sent to Mr C dated 3 December 2020. This said:

When you took out the loan in October 2006, we consolidated a previous loan amount of £14,556.12. when we spoke, you confirmed to me you agreed with this amount.

The rest of the loan was made up of two other balances. One of £4423.35 from your ...Account...and the other of £2324.50 from your...Account...

I was able to obtain some statements for these accounts and have emailed them to you as agreed. I was unable to obtain any further statements as these weren't available. This could be as they are older than the ten years we're obliged to keep these on record.

I've also seen L tell Link they're satisfied the balance passed over to Link is the consolidated balance – and they said Mr C had previously raised a complaint about this (explained in the letter of 3 December 2020 above).

In the circumstances, I can understand why Mr C would have ongoing concerns about the outstanding balance. And I think this matter is complicated by the lack of records due to the age of the account in question. Objectively at least to me, it seems possible there is information missing or simply no longer available which could be the key to addressing Mr C's specific concerns about the balances.

In keeping with what I said earlier though, Link aren't responsible for that – and I'm satisfied they've done all they can to clarify the balance. Because of that, I don't think they've treated Mr C unfairly in asking him to repay the balance of £13,157.86.

I'm aware Mr C has also raised some concerns over the credit agreements, and why they can't be provided. Again, I've seen Link have asked L for these – and I suspect the reason not everything Mr C wants can be provided is due to the historic nature of things. I don't find this means Link have done anything wrong on this point either.

But I do think Link's customer service wasn't as good as it should have been and has led to Mr C feeling more frustrated than he needed to in this complaint. When deciding compensation it's not an exact science – I need to weigh up the impact on the individual and award compensation which I think is reflective of that.

In this case, I think it's fair for me to say the vast majority of impact on Mr C is his conviction Link haven't treated him fairly in asking for repayment of £13,157.86. So, I think the impact is limited to Link not investigating the matter properly. For that, I do think the £100 Link have since offered Mr C is a fair outcome.

My final decision

For the reasons I've set out above I partially uphold this complaint and require Link Financial Outsourcing Limited to pay Mr C £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 24 March 2026.

Jon Pearce

Ombudsman