

complaint

Ms M complains that Link Financial Outsourcing Limited did not provide her with information when her debt was transferred to it and failed to respond to requests for information. She feels she should get compensation and her credit file should be amended.

background

Ms M had a debt with a third party who assigned the debt to Link Financial. Ms M has not paid this debt as Link Financial did not provide her with the information she requested. It has entered a default on her account which she thinks should be removed.

Link financial wrote to her explaining that it purchased her debt from a third party. Ms M asked it to provide evidence that it had purchased the debt properly and provide documentation. She requested this information 8 times.

The adjudicator found that the third party did notify Ms M that it assigned her debt in 2017 and future payments should be made to Link Financial. She was satisfied these letters had been posted to Ms M's correct address.

The adjudicator concluded that the debt was hers was properly sold by the third party and properly purchased by Link Financial. She concluded that Link Financial is entitled to pursue her for the debt that she owes. As Ms M stopped making payments for a debt Ms M owes and was aware of, she felt that Link Financial was entitled to default the account due to the arrears accrued. She noted that Ms M was aware she had an outstanding debt with the third party and if she thought Link Financial were not collecting it legitimately she would expect her to contact the third party to clarify what had happened. This didn't happen.

The adjudicator did however think that Link Financial had not handled Ms M's requests in a timely manner. Link Financial agreed to pay £75 for distress and inconvenience which the adjudicator thought was fair and reasonable.

Ms M is unhappy with this and wants more compensation and her credit file amended.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I agree with the adjudicator for the same reasons.

I am satisfied from the documentation that Ms M was aware she had an outstanding debt with a third party. I note that Ms M says she never received the letter from the third party assigning her debt or any letter that said she should pay Link Financial. On balance, as the letters were sent to her correct address, I find they were sent. If she had not received notification I would have expected her to contact the third party to see why she was now expected to pay Link Financial, or to carry on paying the third party. She did not do this.

It was her debt and properly sold to Link financial. Even though Ms M was challenging whether Link financial should have her debt, she knew the debt was outstanding and could have contacted the third party to ask it to explain who it sold the debt to. She stopped paying the debt, and Link Financial is entitled to record this on her credit file. It has not done anything wrong by doing this.

I also agree that Link Financial could have dealt with Ms M in a timelier manner and agree that £75 is fair and reasonable for the distress this caused.

I would urge Ms M to make arrangements to repay her debt and seek debt advice to do this.

my final decision

My final decision is that I uphold this complaint in part. Link Financial Outsourcing Limited should pay Ms M £75 compensation for hurt and upset. (If not already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M anonymised name here to accept or reject my decision before 7 March 2019.

Clare Hockney
ombudsman