

## **complaint**

Mr N complains that Link Financial Outsourcing Limited incorrectly registered a default on his credit file.

## **background**

In March 2017 Mr N discovered he had a default notice on his credit file for some £8,000 registered by Link. He asked for an explanation. Link told him the debt was from a credit card account with a bank he'll call B which it had taken over. It said the account had been defaulted by B.

Mr N brought his complaint to this service where it was considered by one of our adjudicators who didn't recommend it be upheld. He investigated the background to the default and identified that Mr N had opened the account in 2010. B had issued a formal demand letter to the correct address in August 2013 prior to passing the debt to Link. It also wrote to him in October 2013 to tell him the debt had been passed to Link. The account was defaulted by B on 27 August 2013.

Mr N said that the default notice hadn't been correctly served as he had not been given a copy of the notice and there was no evidence that it had been done lawfully. The adjudicator made further enquiries and identified that B had started the default process and passed the debt to Link. Link didn't issue a letter confirming the default had been registered. He took the view that there were no grounds for it to be removed despite the lack of evidence to show a letter had been sent to Mr N notifying him the default had been registered.

He concluded that the confirmation letter should've been issued at the end of August 2013 shortly after a default was registered. Link had Mr N's correct address which was the one to which B and its third party debt collectors had sent letters informing Mr N the account was in arrears and they would be defaulting it if non-payment continues. He agreed an error had been made but didn't think it had caused Mr N a financial loss as a notice of default was already sent to Mr N.

Mr N didn't agree and said that due to the failure to send the default confirmation he was unable to remedy the situation and so he had suffered financially.

## **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 am satisfied that Mr N opened the credit card account and made use of it. He failed to pay what he owed and so B took action to enforce the debt. Having looked at the records of both Link and B I can see that Mr N was contacted on numerous occasions about the debt and so had plenty of opportunity to deal with it, but apparently he chose not to do so. I don't believe him not receiving a letter confirming the default was the cause of him failing to pay what he owed.

When the debt was sold by B all the rights of the account were also transferred to Link as it became the legal owner of the debt. So Link didn't have to issue a new default notice just follow the procedure through. It may well have failed to issue the letter confirming the default, but I haven't seen any evidence to show that this would have allowed Mr N to pay off the debt. I cannot see that he has been materially disadvantaged and the default notice on his credit file describes his financial situation. Therefore I do not consider it would be fair or reasonable to uphold his complaint

**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 Mr N to accept or reject my decision before 22 January 2018.

Ivor Graham  
**ombudsman**