

complaint

Mr P complains that Link Financial Outsourcing Limited ("Link") are chasing him for a debt despite him having paid everything that was due.

background

Mr P was financing a car through an agreement with a company I will call "F". The lease came to an end in September 2016 and Mr P returned his car and paid some end of contract charges which amounted to £1,059.63. These were mostly in relation to excess mileage.

He heard nothing more until 22 March 2019 when he received a letter from Link saying he still owed £305.99 on the finance agreement which they had bought from F. Mr P complained to Link and they contacted F who insisted the sum was outstanding. So, still dissatisfied, Mr P referred his complaint to our service.

Our adjudicator didn't think there was enough evidence to suggest the debt was due. He couldn't find any evidence that Mr P had been informed of the debt until 2019 when Link contacted him. He noted that various amounts were listed on the vehicle appraisal form that had been completed at the end of the lease period and that there'd been some hand written amendments. It was possible, he thought, to reach an outstanding balance of £305.99 once these amendments had been considered. But Link were not able to provide clarification of what the additional charges represented and he therefore didn't think it was fair to ask Mr P to pay a debt they could not substantiate.

Link didn't agree with the adjudicator. They said the debt had been handed to them by F and it was unreasonable to hold them accountable for the failure of F to clarify the charges. They therefore asked for a final decision by an ombudsman.

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's view. I know that will disappoint Link so please let me explain why.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

There's no dispute that Mr P paid £1,059.63 in September 2016. If that was only a partial settlement I would have expected F to have pursued him for the balance. But neither Link nor F have been able to provide evidence that was the case.

I understand that Link are frustrated that the responsibility for telling Mr P what he owed money for was F's. They feel they are being held accountable for something they have no

control over. But neither does Mr P and it's unfair to hold him accountable for a debt that has not been justified.

The argument here appears to be between F and Link who may well question what debt, if any, they've actually acquired.

Mr P was not informed of this debt for three years. I think it's entirely reasonable to suggest he thought he'd paid the debt off in its entirety in 2016. He wasn't told that wasn't the case and I would have expected significant correspondence if the debt had not been finalised. But that correspondence has not been evidenced. Whilst it is possible to establish a balance of £305.99 from the hand written amendments to the vehicle appraisal form I don't think this is sufficient evidence to suggest these charges are due – there's no breakdown or justification for them. So I don't think it would be reasonable to ask Mr P to pay the debt Link are pursuing him for.

my final decision

For the reasons I've given above I uphold this complaint and tell Link Financial Outsourcing Limited to waive the debt they've been pursuing payment for from Mr P.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 31 January 2020.

Phil McMahon
ombudsman