

complaint

Mr M complains that Link Financial Outsourcing Limited asked him to pay a balance which he's already paid.

background

Mr M previously owed a debt in relation to a credit card account which he says was paid in full under a debt management plan.

In or around September 2016 the debt was sold to Link. The balance advised to Link on the debt sale was £115.49.

Mr M says the balance advised to Link was incorrect. He contacted Link to dispute the balance and provided it with information from his debt management plan.

Mr M is unhappy that Link has ignored the information he's provided. To resolve his case he wants confirmation that his account has been paid in full.

Our investigator upheld the complaint. She felt that Link hadn't provided an adequate level of service to Mr M and that it could've done more to address the disputed account balance with the original credit card provider. The investigator recommended that Link should close the account and pay compensation to Mr M.

Link didn't agree. It said the statements it received from the credit card provider showed that it hadn't made an error by contacting Mr M about the outstanding balance.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr M says that he paid the debt in full through his debt management plan. He accepts that Link acted in good faith when it contacted him based on the account balance it was provided with on the debt sale. But he's unhappy that Link failed to take account of any of the information he provided which showed that the debt had been paid in full.

Link has said it relied on the information provided on the debt sale and that the information provided to Mr M's debt management plan was incorrect and less than the actual outstanding balance.

I've looked at all of the information relating to the account balance, including the statements from the credit card provider and the statements from the debt management plan. I've also taken account of the payments made by Mr M whilst he was in the debt management plan.

It's clear that the credit card provider made some changes to the outstanding balance during the debt management plan. Looking at the balance which was notified to the debt management plan, I'm satisfied that Mr M has paid this off.

The credit card provider notified Link of a different balance. Link is entitled to rely on the information provided so I can't say it did anything wrong when it contacted Mr M and asked him to pay the balance.

Looking at everything that's happened, and whilst I can't say that Link made an error in contacting Mr M, I don't think that Link treated Mr M fairly when he first contacted them to query the outstanding balance. I can see that Mr M provided Link with information from his debt management plan which showed that the credit card provider had given a different balance to the debt management plan and that he had made sufficient payments to clear that balance. I think that Link could have done more here by investigating the anomalies with the balance. I haven't seen anything to show that Link contacted the credit card provider. Because of this, I don't think Link treated Mr M fairly from a customer service perspective.

my final decision

My final decision is that I uphold the complaint. Link Financial Outsourcing Limited should:

- Close the account and provide written confirmation to Mr M.
- Remove any adverse information relating to the account from Mr M's credit file from September 2016 and backdate the settlement date
- Pay Mr M compensation of £100

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 July 2019.

Emma Davy
ombudsman