

## **complaint**

Ms L complains that Link Financial Outsourcing Limited is pursuing her for a debt she doesn't believe she owes.

## **background**

Link says that in September 1996 Ms L opened a credit card account with a bank. Unfortunately, Ms L suffered some financial difficulties and the account developed arrears. In both 2007 and 2010 a debt management company entered into a repayment plan on Ms L's behalf to clear the outstanding balance at the rate of £1 per month. A standing order was set up for the payments.

In October 2016 the debt was sold by the bank to another company who appointed Link to manage the account. A letter was sent to Ms L informing her of this change. This letter also said the current agreement to repay the balance at £1.00 per month would continue to be honoured.

As Ms L was paying the debt via standing order to the bank, the bank forwarded the monthly payments received on to Link.

In 2017 Ms L complained to Link saying that the debt wasn't hers. Link didn't uphold her complaint. And in 2018 Ms L requested, under section 77/78 of the Consumer Credit Act 1974, that Link provide her with the credit card agreement. Link informed Ms L that it was unable to do so and that the debt was unenforceable. However, Link said that although the debt couldn't be enforced it remained collectable.

Ms L complained to Link that it had no right to take the money she was paying each month as she said these payments were for a different debt and should be repaid to the bank. Ms L was unhappy at Link's responses to her complaint and says she felt harassed by its actions. Link didn't uphold her complaint saying that the bank had passed the debt over to a new company who had assigned Link to manage the account on its behalf and the payments Ms L had been making were to clear this debt.

Miss L was unhappy at Link's response and complained to this service. Our investigator said she didn't think Link had acted unfairly and so didn't recommend Ms L's complaint should be upheld.

Our investigator said that due to the age of the debt there wasn't as much paperwork and evidence as would have been the case if the debt was not so old. But she said, looking through the history, she was satisfied that the debt did belong to Ms L.

Ms L disagreed with our investigator's view and so the complaint has been passed to me.

## **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 appreciate Ms L feels strongly this isn't her debt, and disputes she took out this particular credit card in 1996. I've seen that the credit card agreement can't be produced due to the passage of time, and that Link has said this debt is unenforceable. And, while it is a matter

for the court as to whether a debt is enforceable or not Link is still entitled to collect the outstanding amount even if can't enforce it.

Ms L has said that she did have credit cards, and that she also suffered financial difficulties so I think she accepts there are outstanding debts. Ms L says Link is, in effect, "syphoning off" legitimate payments to clear a debt she agrees she owes from a credit card and using that money to pay towards this debt that she says isn't hers. But I think there has been confusion due to the bank using the credit card account number to refer to the debt but Link then using the credit card number.

I can understand that the use of two different numbers for the same debt has raised doubts for Ms L but the bank has confirmed that the accounts ending 4006 and 8041 are one and the same. All credit card accounts have two numbers, one being the long card number, which can change when the card is replaced, and the other being the actual account number. It appears that the bank used the credit card account number in its dealings with Ms L but that Link has used the long credit card number. I don't know why Link has used the credit card number rather than the account number but I don't think I can reasonably say this was done to deliberately cause confusion or to hide any wrongdoing by Link.

I know Ms L remains concerned about the two numbers relating to the same debt and doesn't accept what the bank has said, but I'm satisfied that what it says is correct. The debt Ms L agreed to pay off at £1 per month for an outstanding credit card account ending in 8041 is the debt that was assigned to Link to collect. This is why the bank has forwarded the payments she makes each month on to Link, and which Link has deducted from the outstanding balance. Link hasn't diverted money from an account.

I've seen that Ms L says she didn't take out the particular credit card that the bank says she did, but I don't think I need to resolve exactly which card it was, but I do need to be satisfied that there is a debt owed by Ms L to Link.

Ms L set up a standing order to pay £1 per month to pay off an outstanding credit card debt several years ago. I've also seen that a debt management company assisted her in setting up this repayment plan with the bank. As I'm satisfied this account is the one that was later assigned to a new company by the bank and that company appointed Link to manage the account I think it's reasonable to say that Ms L has accepted she owes this debt. She has been making payments for many years.

I've also seen that Ms L thought that it was unfair Link didn't reimburse the £1 fee she paid it when she requested a copy of her executed credit agreement as this couldn't be provided. This fee is payable under section 77 of the Consumer Credit Act 1974 and looking at this section I think its worded to allow the fee to remain payable even if the document can't be supplied.. Link also didn't say the fee would be reimbursed if it wasn't able to fulfil the request. I therefore don't think I can reasonably ask Link to reimburse this fee even though it wasn't able to supply a copy of the agreement.

So, looking at the evidence, I don't think Link has acted unfairly in seeking to collect the outstanding amount and it has also abided by the payment plan of £1 per month. So, I'm not upholding Ms L's complaint.

### **my final decision**

For the reasons given above I'm not upholding Ms L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 2 August 2020.

Jocelyn Griffith  
**ombudsman**