

## **The complaint**

Mr H complains about the service he received from Nationwide Building Society (Nationwide) following his request that they write off his credit card balance.

## **What happened**

The investigator's background summary covered all the relevant facts and is known to both Mr H and Nationwide so I won't repeat it in any great detail. Therefore, if I've not mentioned something it's not because I've ignored it, but because I don't think it's relevant to the issues. However in summary it is this;

In January 2018 Mr H applied for, and then obtained, a credit card with Nationwide. It had a credit limit of £3,300. The application form records that he stated he was a self-employed driving instructor with annual earnings of £43,680. The form also records that the employment had started in January 2018.

In September 2018 Mr H wrote to Nationwide and asked them to write off his credit card debt. Nationwide put in place a nil repayment plan so that Mr H didn't have to make any repayments to the debt. Nationwide later wrote to Mr H on a number of occasions and also tried to call him but, he did not respond. So, Nationwide initiated their debt collection process.

Nationwide also said it had considered that based on the information Mr H had provided in his initial letter they couldn't write off the debt. However Nationwide did accept that there had been a problem in their dealing with his request which had caused delay and for that they apologised and paid him £100 in compensation, for the distress and inconvenience caused.

Mr H was unhappy with Nationwide's response and so brought his complaint to this service. Our investigator looked into it but didn't think Nationwide had acted unfairly in relation to Mr H's write off request. The investigator also found that the amount of compensation paid to Mr H had been fair and reasonable.

As Mr H didn't agree, the complaint has been passed to me for a final decision.

## **What I've decided – and why**

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

The role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where it is appropriate. I'm not the industry regulator, and I don't have power to make rules for financial businesses, direct that they change their processes, or punish them. That is for the Financial Conduct Authority.

I will consider whether Nationwide acted fairly and reasonably in its dealings with Mr H. I aim to address all relevant points with a view to reaching a fair and reasonable decision based

on the evidence before me. I take into account both sides' views. But, where evidence is incomplete, inconclusive or contradictory, then I have to come to a decision on the balance of probabilities – in other words, I consider what is more likely to have happened in the light of the available evidence and the wider circumstances of the case.

I think we have an unfortunate situation here. The application form records Mr H told Nationwide he was self-employed. Mr H disputes this and has explained he merely said he was looking into training to become a driving instructor. However he has signed the application form to confirm the details recorded on it are correct, so it is likely he is mistaken in his recollection. Mr H has also told this service that he was working until March 2019. I should clarify that although Mr H has said that he feels he was pressured into taking on the credit card and that he did not want it, this complaint is only dealing with Nationwide's refusal to write off the debt. If Mr H wishes to pursue that avenue then it must be dealt with by way of separate complaint.

The issue here is whether Nationwide have dealt with Mr H fairly following his request to write off the debt. Nationwide's first reaction was to place Mr H onto a nil repayment plan until February 2019 which is one of the things we would expect a bank to consider doing in circumstances like this. Nationwide then attempted to discuss the account further with Mr H because they wrote to him and tried to call him. I know Mr H says he didn't receive the letters, and I have no reason to doubt him, but equally I have no reason to doubt Nationwide when they say they sent them. It is of course possible that the correspondence went astray in the post. But Mr H was also called, and although he says he did not get any I am satisfied from the evidence provided that Nationwide did attempt to call him.

When a bank knows a customer is in financial difficulties they are obliged to be positive and sympathetic towards their situation. The Lending Code sets out some things banks can do when a customer is in financial difficulty and that includes things like agreeing to suspend repayments for a period to give the customer some breathing space. So in my view I do think Nationwide were fair with Mr H by putting in place the nil repayment plan and then trying to discuss his debt further with him.

I have considered whether Nationwide acted fairly in not writing off the debt. The issue here is whether there is a prospect of Mr H ever repaying the debt. Mr H was of course working until March 2019, and in January 2018, on his own account he said he was considering becoming a driving instructor. This indicates that he is able to work and in fact wants to. I appreciate his circumstances have changed since he made the application for the credit card, but I cannot be satisfied that this means there is no likelihood of Mr H never working again. So, on a balance of probabilities, I must conclude that the evidence suggests that it is more likely than not that Mr H will resume employment. On that basis I don't think it unfair that Nationwide decided not to write off the debt.

I've also thought about the poor service Mr H received from Nationwide in causing delay to his request. Nationwide have accepted their failings and that Mr H should be compensated. So, the sole issue is what the correct level of compensation ought to be. In my view the £100 compensation already paid to Mr H is fair and reasonable. It is in line with the awards this service would make for distress and inconvenience in circumstances like these, and I think it is enough to put matters right.

So, although Mr H will probably be disappointed with my decision, I have come to the same conclusion as the investigator, and I can't say Nationwide have acted unfairly and I'm not upholding this complaint.

### **My final decision**

Nationwide has already paid £100 to settle the complaint and I think this offer is fair in all the circumstances, and I don't require it to do anything else.

For the reasons set out above I do not uphold the complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 May 2020.

Jonathan Willis  
**Ombudsman**