

The complaint

Mrs S complains that The Royal Bank of Scotland Plc sent her letters about her credit card account which she found threatening.

What happened

Mrs S was sent letters about her credit card account being in persistent debt. She says she found the tone of the letters threatening. She said she initially didn't realise that she needed to take action as she was making repayments in line with the account terms and conditions.

RBS said that Mrs S' was sent letters in line with the regulations as she was identified as being in persistent debt. It noted Mrs S' comments about the tone of the letters but said the letters were sent to all customers in persistent debt. It said Mrs S closed her credit card account on 9 May 2022.

Our investigator didn't uphold this complaint.

Mrs S didn't agree with our investigator's view. She said the letters she received didn't include the words 'persistent debt' and if they had she would have cleared her debt immediately. She said she had the funds available to repay the debt but had chosen not to. She reiterated that she was managing her account within its terms and conditions. Mrs S also said that RBS had known for years that she struggled to use the telephone and it wasn't responding to her letters and emails.

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.

As RBS has explained it is a regulatory requirement for it to send letters to customers as they move through the debt stages. I have looked at RBS' letters and can see that the 18-month letter says that:

'We've identified that over the past 18 months you've been making minimum or relatively low repayments in comparison to your balance. This means that you've paid more in interest (and any fees/charges) than you've repaid from the amount borrowed.'

While the letter doesn't explicitly use the words '*persistent debt*' the wording above is the definition of persistent debt and I think the letter is clear in its explanation of why it has been sent. The letter then explains that further action may be taken if the situation continues over the following 18 months and provides contact details for further assistance. Similar information is included in the 27-month letter and this states that further action may be taken if the situation continues for the following nine-months. So, while I appreciate that Mrs S didn't think she needed to take action at this point, and I accept that she was making the minimum repayments, I think the letters were clear about the situation on her account, why contact was made and that further action could be taken if the situation continued.

The 36- month letter includes the term '*persistent debt*' and I note the comment that it says to search this term on the website, I think that adequate information had been provided to this point about the issues that RBS was trying to address. This letter then says that contact needs to be made within 60 days and if this doesn't happen the account will be closed. I understand that Mrs S found the tone of this letter upsetting and threatening but I do not find it unreasonable that RBS set out clearly what action would be taken in the event contact wasn't made. The letter did then explain that a suitable repayment amount could be discussed and where to find help if needed. So, while I appreciate Mrs S was in a position to repay her credit card balance and was choosing not to, the letters are sent to all customers and so the standard wording reflects that many wouldn't be in Mrs S' situation.

Mrs S repaid the outstanding balance on her credit card and the account has been closed. I appreciate she is concerned that other accounts she holds with RBS will be closed. But I have nothing to suggest that this is the case.

Mrs S has also complained that RBS hadn't taken her needs into account saying that it had known for years that she struggled to use the telephone. I understand this must be very frustrating for Mrs S and I am sorry to hear of the difficulties she experiences and appreciate why this makes dealing with issues such as this particularly stressful. However, RBS has said it couldn't find any contact notes to show that it was made aware of Mrs S' disabilities before May 2022. I can see in its response to Mrs S' complaint, RBS provided information about how Mrs S could set up her account to suit her needs and also noted its text relay service. I think this was reasonable given the information Mrs S had provided.

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 Mrs S to accept or reject my decision before 29 December 2022.

Jane Archer
Ombudsman