

complaint

Mr and Mrs W complain about the way The Co-operative Bank Plc has acted in relation to their financial difficulties, both on their joint account and on Mrs W's credit card account.

background

For several years, Mr and Mrs W have been in repayment plans with Co-operative Bank. In June 2013, Co-operative Bank contacted Mrs W to say she'd missed her previous month's payment. It referred the account to its solicitors. But in the meantime, Mrs W had made payment. She complained to the bank, which issued a response a week later. Mrs W was unhappy that her complaint hadn't been escalated as she wished. She made a further complaint about the service she'd received, saying that she didn't consider the bank had addressed her initial concerns. Mrs W was dissatisfied with the bank's late recording of her account as being in default. She also made a data subject access request.

Co-operative Bank issued a further reply to Mrs W in July 2013. It explained why it had sent the letter to Mrs W, and that the solicitor referral was an administrative error on its part because it hadn't picked up that she'd made her payment by that point. Co-operative Bank acknowledged the late registration of the default on Mrs W's credit file, and said it would arrange for its removal. And the bank sent Ms W £250 for her distress and inconvenience over both matters.

Mr and Mrs W weren't happy with Co-operative Bank's settlement proposal. They responded at some length setting out what they considered shortcomings on the bank's part, and why they thought the bank's offer derisory. Those concerns included their belief that the bank had delayed responding to Mrs W's subject access request, and when it did the information it provided wasn't clear or accurate. Mr and Mrs W were also unhappy that Co-operative Bank had contacted only Mrs W when their financial arrangements related to their joint debts. They queried the bank's letters regarding a review of the payment arrangement, which they said they'd been told would remain in place until they'd fully repaid the debt. And they subsequently found that the bank had continued to record information on their respective credit files, despite its earlier comments. They said this led to additional costs when taking on new borrowing.

Co-operative Bank apologised for the further difficulties Mr and Mrs W had experienced. It sent them a further £250, and said it would delete the information that had been re-recorded on their credit files. But Mr and Mrs W remained dissatisfied and referred matters to us.

Our adjudicator noted Mr and Mrs W's concerns. He didn't consider Co-operative Bank wrong to seek to review the repayment arrangements. It had sent a letter to Mrs W when the arrangement was set up, saying it would do so. The adjudicator felt the bank hadn't handled matters surrounding the events in June 2013 particularly well. But he thought the bank had made reasonable efforts to address the problems arising from that error, and in correcting Mr and Mrs W's credit files. He didn't recommend Co-operative Bank take any further action in relation to those matters, or to the other concerns Mr and Mrs W had raised.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I'm not going to require Co-operative Bank to do anything more to resolve Mr and Mrs W's complaint. Whilst I'm

aware Mr and Mrs W don't agree, I'm satisfied the steps the bank has already taken are sufficient to address any trouble or upset they might have been caused by its actions.

Mr and Mrs W have a joint relationship in respect of their current account debt, although not the credit card account, which is in Mrs W's sole name. But their liability to Co-operative Bank is both joint and several. So it's perfectly entitled to write to Mrs W, without sending similar correspondence to Mr W or including him in its letters. I'm not aware of any reason Mrs W is unable to share the content of those letters with Mr W. The fact that he's party to this complaint suggests he's aware of what the letters say. I see no reason to require the bank to change the way it corresponds with Mrs W, or to pay compensation in this respect.

Both Mr and Mrs W have had several payment arrangements with Co-operative Bank, dating back to 2006. It seems to me that they are therefore be quite familiar with the idea of regularly reviewing those arrangements. I've seen nothing to support the assertions that the bank or its representatives told Mr W or Mrs W that their latest payment arrangement would be in place until the debt was repaid. However, I have seen copies of the letters Co-operative Bank sent Mrs W dated 6 December 2012, which clearly state that the arrangements for both the current account and credit card debts would be reviewed in 12 months. Taking all of this into account, I'm not persuaded the bank has acted incorrectly here.

Turning to the matter of the default information recorded on Mr and Mrs W's credit files, I'm aware the bank has acknowledged that it shouldn't be re-recording this information. It's paid compensation for the distress caused as a result. While I accept the template letters Mrs W's receiving continue to mention the possibility of recording a default, I'm not persuaded this is causing her significant problems. She appears to be fully aware of the true position. However, I think Co-operative Bank might do well to review whether it's appropriate to send a standard template to Mrs W, given past events.

I don't find Mr and Mrs W's reasons for a higher award particularly compelling. And while I note they've referred to the matter possibly affecting their ability to obtain preferential credit terms, I'm conscious that whether or not the default is showing on their files, the fact they're in an existing repayment plan might well have the same effect. But I ought to add that if Mr and Mrs W are in a position to look to take on further credit, it's possible Co-operative Bank might seek to review the existing payment arrangement, as it might suggest they can afford higher payments.

I realise Mr and Mrs W have spent quite some time identifying what they consider to be defects and poor practice in Co-operative Bank's procedures and actions. That doesn't oblige me to comment on every aspect. Nor does it necessitate a compensation award – if I were to do so it would to all intents and purposes be a fine, and it's not my role to make punitive awards. Having carefully considered the bank's actions and all that Mr and Mrs W have said, I've concluded that the bank's existing payments and apologies are appropriate resolution to this complaint.

my final decision

My final decision is that I do not require The Co-operative Bank Plc to take any further steps to resolve Mr and Mrs W's complaint.

Niall Taylor
ombudsman