

## **complaint**

Miss H and Mr K say that The Royal Bank of Scotland Plc (RBS) will not reduce the monthly repayments on their loan. They would like this to happen without having an impact on their credit file.

## **background**

Miss H and Mr K have a loan with RBS. In 2014, Miss H started her maternity leave - so contacted the bank to ask if the monthly repayments could be reduced and the repayment period extended.

She says she was told that this was not an option available to her at that time and the only way that it could happen was if Miss H were to go into arrears on her payments. She was also told that maternity leave did not meet the bank's forbearance criteria.

So Miss H complained to the bank. RBS looked into her complaint and told Miss H that they could not re-arrange the payment plan without this having an impact on her credit file.

Miss H was not happy and contacted this service.

When an adjudicator looked at this complaint, she told Miss H and Mr K that this service could not compel RBS to restructure their loan for them. The bank was entitled to exercise its legitimate commercial judgement in how it provided lending facilities.

So Miss H asked for an ombudsman's decision.

## **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'm afraid that I have to agree with the adjudicator – I cannot compel RBS to restructure Miss H's and Mr K's loan repayments without this having a negative impact on their credit file.

What I can ask it to do is to treat them positively and sympathetically. And I do not think that it has done this so far.

I have spoken to Miss H and Mr K about how I proposed to resolve this complaint. They have had an opportunity to make further submissions which I take on board and I know that they are not in agreement with my decision.

I have also advised RBS of my findings – as they differ from the view given by the adjudicator. The bank is in agreement with what I propose.

## **my final decision**

My decision is that The Royal Bank of Scotland Plc must:

- agree a repayment plan with Miss H and Mr K that is mutually acceptable and one that takes account of their reduced income;

- pay Miss H and Mr K a sum of £200 for the poor way in which this request has been dealt with thus far.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H and Mr K to accept or reject my decision before 30 October 2015.

Shazia Ahmed  
**ombudsman**