

complaint

Mr M complains that Lloyds Bank PLC is pursuing him for a credit card debt he does not owe. He wants the bank to acknowledge he does not owe it.

background

Mr M applied for a credit card with Lloyds in May 2005 and completed a balance transfer from another bank at the same time.

Mr M says he was unaware of an outstanding debt on this credit card account until he was recently contacted by a debt collection agency on behalf of Lloyds Bank.

Mr M maintains he would have either paid off the debt or transferred the balance elsewhere but he wouldn't have just left a debt unpaid.

He also feels that this debt may be statute barred as he hasn't heard anything about this matter for at least 6 years.

Lloyds confirmed the credit card was opened in May 2005 well maintained until November 2006 when the account was defaulted and closed.

Lloyds then received regular payments to the account from a debt management company until October 2011 when payments ceased.

The remaining balance was then passed to a debt collection agency for recovery.

Our adjudicator looked into this and found there was sufficient evidence from Lloyds to show this debt was owed by Mr M and couldn't see anything to suggest the bank had made an error.

Mr M disagreed, as he does not recall ever dealing with a debt management company or making payments to them and asked for this review.

my findings

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

Mr M isn't disputing that he held a credit card account with Lloyds Bank or that there was a balance on the card at that time.

The contact from the debt collection agency surprised him as he says he was unaware of this debt and he's sure he would either have paid off the balance or transferred it to another credit card. He also thinks this debt would be statute barred by now.

I can't comment here on whether a debt may be statute barred, only on whether the evidence shows that on balance Mr M has an outstanding balance owed to Lloyds Bank.

I've looked at the credit card statements provided by Lloyds and the payments received onto the account.

Mr M has changed address during the time he held the credit card, but the statements reflect those changes and show an outstanding balance when the bank defaulted and closed the account in November 2006.

There are then, payments, made by a debt management company on behalf of Mr M until October 2011, leaving a final outstanding balance due for payment.

I understand Mr M may have forgotten about this, as his last transaction was in 2011, or thought he had dealt with it. But in the absence of an evidence to show it was repaid or transferred I'm not able to uphold Mr M's complaint and I won't be asking Lloyds to do anything further.

my final decision

For the reasons I have given I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 7 September 2017.

Wendy Steele
ombudsman