

## **complaint**

Mr J has complained that he wasn't kept up to date by National Westminster Bank Plc ("NatWest") about a debt he had with them.

## **background**

Mr J took out a credit card with NatWest in 2006. Unfortunately he fell into financial difficulty in 2012 and wasn't able to keep up all the payments due. So his credit card account was closed and NatWest instructed debt collection agencies to try to get the debt repaid.

Mr J made some payments, but he wasn't able to clear all of the debt. He says NatWest stopped writing to him or chasing him for payment, but later on he was in a position to repay what he owed. So he contacted the debt collection agencies and wrote to NatWest in February 2017, but he says nobody was able to tell him anything about the debt.

But later, Mr J says he was told NatWest had stopped instructing debt recovery agencies in July 2015 and he wasn't told about this at the time. He says, as NatWest didn't tell him it still owned the debt in July 2015, he wasn't able to make any payments to it. He'd like his credit history changed, a repayment arrangement set up and compensation for not being updated.

One of our investigators looked into the complaint, but didn't think NatWest had treated Mr J unfairly. But he disagreed, so the complaint has been passed to me for a final 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. Having done so I'm not going to uphold Mr J's complaint and I'll explain why.

In February 2017 Mr J wrote to NatWest to ask who owned his debt, but it didn't respond to this letter. So he called NatWest in April 2017 to chase this up and make a formal complaint. He says NatWest didn't contact him in 2015 to say it had bought back the debt from the recovery agents, so he hadn't been given the opportunity to come to an arrangement to pay his debt at that time.

Mr J's credit card was defaulted in 2013 as the minimum payments weren't being made. That meant that he couldn't use his card anymore and NatWest was able to ask him to pay back all of the card balance. It did so by asking collection agents to chase the debt in its behalf.

But I don't think NatWest actually sold the debt on, it just asked agents to try to get it paid. When the agents weren't able reach an arrangement with Mr J to pay back the debt, NatWest stopped chasing the debt and put it up for sale. So I don't think it needed to tell him the debt had been bought back as it was never sold.

I've thought about whether NatWest should've told Mr J it was no longer using collection agents in 2015. But by that point NatWest had defaulted his account and I've seen that letters were sent out in 2013 to say that. And I've seen that some payments were made through collection agents after then, so I'm satisfied Mr J knew he had a debt with NatWest and how much that was.

Mr J has said that if he'd known in 2015 that NatWest owned his debt, he could've come to an arrangement to pay. But by then NatWest weren't actually chasing him for payment, so weren't in contact with him. And I think if he wanted to come to an arrangement to pay back the debt in 2015 he would've contacted NatWest, but I can't see he did so until 2017.

I think Mr J owed money to NatWest and he was aware of that and I can't see he's tried to come to an arrangement to pay it back between his last payment in June 2015 and when he contacted NatWest in 2017. So I don't think it would be right to tell NatWest to change his credit file as I can't see he tried to settle the debt in 2015, but wasn't able to speak with NatWest or its recovery agents then.

In April 2017 NatWest responded to Mr J's complaint and asked him to fill in a financial statement so a repayment plan could be agreed. So I think NatWest is offering to set up a payment plan as Mr J has asked for. This service isn't able to set the level of the repayment plan - that has to be agreed. But I'd like to remind NatWest of the good practice set out in the Lending Code when agreeing any plan.

I do accept that NatWest should've answered his letter sent in February 2017, but I can see Mr J managed to speak to NatWest in April and got an answer that month. So although there might've been some trouble caused, I don't think it's at the level that would warrant a payment of compensation.

Since our investigator first gave his view, Mr J has said that NatWest should've done more to help him out before defaulting him when he first fell into arrears. I haven't looked at that in dealing with this complaint as NatWest hasn't had the opportunity to look into it either. If Mr J wants to take this further, he should contact NatWest directly.

### **my final decision**

For the reasons set out above, I don't uphold Mr J's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 3 July 2017.

Mark Hutchings  
**ombudsman**