

## **complaint**

Mr H complains that he is unable repay his debt to Nationwide Building Society but Nationwide is refusing to do anything to help. He wants Nationwide to write off his debt.

## **background**

Mr H suffers with mental health problems and said he's unable to manage his money. He has a current account and credit card with Nationwide and said he borrowed against this when he was depressed, but can't afford to make repayments. He said other businesses have written off his debts but Nationwide wouldn't help knowing he had no money and left him with an adverse credit reference.

Nationwide said it didn't know about Mr H's mental health when he opened his accounts, but it wouldn't have stopped him if it had known. It put his accounts on hold and reviewed the situation the following year and said it wouldn't write off the debt but would stop attempts to collect it. It explained that the debt would still exist and be reflected on his credit file. Nationwide offered Mr H £25 for sending an acknowledgement to his previous address.

The investigator didn't recommend that the complaint be upheld. She said Nationwide had properly reviewed Mr H's situation and as the money was owed, it wasn't obliged to write off the debt. She said its decision not to collect the debt was fair. The investigator said the credit file held accurate information and Nationwide had treated Mr H fairly.

Mr H didn't agree. He said that when he had a breakdown he threw money in a canal, but Nationwide didn't care about him and they are giving him anxiety and stress. He said he doesn't know what he's doing with money and Nationwide knew about his mental health but still treat him with a default on his credit file.

## **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've looked carefully at Nationwide's handling of Mr H's debt and the decisions it has made. Nationwide reviewed Mr H's circumstances and decided to stop collection activity and any further contact as it was obvious this was causing Mr H distress. It reviewed his accounts the following year and confirmed to him it won't pursue the debt.

Lending businesses are required to treat vulnerable consumers sympathetically and explore options to help get finances back on track. This doesn't mean the money borrowed is no longer owed – it remains a legitimate debt, and so Nationwide isn't required to write the debt off, though it may consider this. Nationwide's decision isn't affected by other businesses writing off Mr H's debt and it was reasonable for it to decide not to write the debt off. Nationwide is required to send accurate information to the credit reference agencies and from what I've seen, it has done so.

By considering Mr H's circumstances and putting a stop to any collection activity and contact about the debt, I think Nationwide has treated him fairly and has acted in line with the regulatory requirements. I hope Mr H can get his finances back on track, but I don't recommend Nationwide does anything further with regard to his accounts.

**my final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 23 October 2017.

Andrew Fraser  
**ombudsman**