

## **complaint**

This complaint is about an unsecured loan to which Mr A is a joint party, along with his former partner (whom I shall refer to as "Ms A"). Mr A complains that by trying to negotiate a payment arrangement when it knows he has severe health problems, NRAM Limited ("NRAM") is putting the debt ahead of his health and well-being.

## **background**

The circumstances of this complaint, briefly, are that Mr A and Ms A, held a joint mortgage with NRAM. They also had a joint personal loan of £30,000 with NRAM. Their relationship has now ended, in difficult circumstances, and the mortgage property has been sold. I'll refer just to Mr A in this decision as it's his complaint, but Ms A is aware of it and has given her agreement for us to consider it

An outstanding debt remains on the personal loan, and Mr A contacted us after he starting receiving requests for repayment proposals from NRAM. Mr A suffers serious health problems, and he's finding the prospect of addressing the debt extremely stressful. He thinks NRAM should write off the debt, in much the same way that other creditors have.

NRAM has said it's willing to consider some kind of concessionary arrangement, but wanted Mr A to provide information about his wider financial circumstances. Our investigator thought that was broadly a reasonable position for NRAM to take, but she also thought some of its communication attempts had been intrusive and insensitive, bearing in mind Mr A's health.

She recommended NRAM pay him £250 compensation, which it has agreed to do. Mr A has asked for his complaint to be reviewed by an ombudsman. Whilst his case has been with us, he says he has sent information to NRAM, with help from a debt charity. But apparently NRAM's still talking about a payment arrangement rather than a debt write-off.

## **my findings**

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

It's not in dispute that Mr A has had long-term health problems, details of which I don't reproduce here, to preserve his privacy. But I've read everything he's said, and there's no doubt in my mind about how upsetting and intrusive Mr A finds the approaches from NRAM. NRAM's made mistakes in that regard, but I think the proposed compensation payment of £250 is fair. NRAM's also offered to communicate in writing in future, which I think is helpful.

But it wouldn't be right for me to say NRAM must make a decision regarding the debt without having some knowledge of Mr A's financial situation as well as his wider circumstances. I understand that information has now been provided, so NRAM should now be in a position to consider it and come up with a proposal for Mr A.

Precisely what that proposal should be isn't for me to dictate here; it wouldn't be right for me to impose a particular settlement on the parties over what is, ultimately a legitimate debt. But I remind NRAM of its duty to treat Mr A fairly. I also ask it to consider very carefully whether there is a realistic prospect of Mr A being able to make significant inroads into the outstanding balance without there being an equally significant adverse impact on his health and well-being.

**my final decision**

I uphold this complaint in part. In full and final settlement, I direct NRAM Limited to pay Mr A £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 March 2018.

Jeff Parrington  
**ombudsman**