

complaint

Mr T complains that The Royal Bank of Scotland plc ("RBS") has not written off a debt that Mr T says it had agreed to write off. Mr T also says the debt should be statute barred.

background

The debt Mr T has with RBS was passed to external recovery agents in mid 2005. Since then it appears that the debt has been passed to a number of debt collection firms. Each debt collection firm took steps to contact Mr T, both by telephone and in writing. In 2011 the debt was passed back to RBS.

Between 2005 and 2009 it appears that Mr T made a number of payments towards the debt, the last payment was made in mid 2009.

Mr T has explained that in 2004 he signed up with a debt management company. He says that the debt management company reached an agreement with all his creditors that after five years of payments any remaining outstanding balances would be written off. Mr T has also said that he has taken legal advice and has been told that the debt with RBS is statute barred.

RBS did not agree that the debt was statute barred as it had received payments and had been in contract with Mr T during the last six years. Nor did it agree that it had said it would write off the debt after five years.

Mr T did not accept RBS's position and brought a complaint to this service.

Our adjudicator did not recommend that Mr T's complaint should be upheld. She did not agree that the debt should be statute barred as RBS's debt collection agents had been in contact with Mr T over the last six years and Mr T had made payments towards the debt. She also said that she had not been provided with anything to show that RBS had agreed to write off the outstanding debt after five years.

Mr T did not accept our adjudicator's view and said that he wanted his complaint to be determined by an ombudsman.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have very carefully considered all that Mr T has said about this matter. It appears from his comments that he may have been misled by the debt management company he used. Mr T has explained that it told him that the remaining balance of the debt would be written off at the end of the five year debt management agreement. If this is the case I would suggest that Mr T contacts the debt management company directly to raise his concerns – particularly as it appears that Mr T was led to understand that such an agreement had been reached with other creditors as well.

With regards to Mr T's complaint against RBS, as our adjudicator explained, this service has not been provided with anything to show that either Mr T or the debt management company acting on his behalf, had reached an agreement with RBS to write off the debt after five years. In view of this I cannot say that RBS is not legitimately entitled to take steps to recover the outstanding debt.

Nor can I reasonably agree that, given there has been contact between Mr T and RBS's agents in the last six years that the debt should be statute barred. However, if Mr T wishes to raise a time barred defence he will need to pursue the matter in the courts.

my final decision

My final decision is that I do not uphold this complaint.

Suzannah Stuart
ombudsman