

complaint

Mrs C complains that she still has an outstanding debt with HSBC Bank plc. She believes she has overpaid the debt. She wants the debt written off.

background

Mrs C says she made regular payments to pay off the outstanding debt on her credit card. She made these payments through a debt advice charity who told her that the debt was paid in full in January 2014. So she stopped making payments.

She says she continued to get letters from the debt collection agency (dca) so agreed to pay £30 per month from August 2014 to give time for this to be sorted.

She stopped making payments in June 2015 as she didn't believe she owed any money. She feels she's overpaid the debt. That HSBC owe her £174.40. But the dca tell her she still owes £788.01

HSBC said it closed Mrs C's account and passed it to its repayment services in October 2009. In November 2012 it made a commercial decision to sell the loan on. There was an outstanding balance when it sold the loan on. It doesn't feel it has made any mistakes.

Our adjudicator didn't uphold the complaint. She didn't find any evidence that HSBC had done anything wrong.

Mrs C doesn't accept this. She believes she's paid off the debt. She's pointed out the debt HSBC said she owed was higher than the debt recorded with the debt advice charity.

She's not happy the debt and her personal information were sold on.

She's now confused as to why HSBC have given her a refund of over £3,000. And she would like to get compensation from the other businesses involved.

my findings

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

Mrs C feels strongly about this and I do understand why. I realise she'll be disappointed but I've reached the same conclusions as our adjudicator and for much the same reasons.

There's no dispute that HSBC closed Mrs C's account in October 2009. At that time HSBC says the outstanding debt was £4,591.56. I've seen the account statement that confirms this.

But I've also seen a statement from the debt advice charity Mrs C made her payments through. Mrs C says that's the only information the charity can give her. This shows the balance as £4,249 but it's not clear from the statement if this was the initial balance or the balance after Mrs C had made some payments.

But I've seen a letter from the dca to Mrs C about this matter. From this it seems the charity confirmed that completing a debt management plan is based on the information a consumer

gives the charity. And that it advises consumers nearing the end of the plan to check the balance of accounts with creditors.

If there was a difference in the initial amount owing as Mrs C seems to think there was I think the most likely explanation is that she may have given the charity the wrong figure. I can't see any evidence that HSBC made a mistake.

From what I've seen there does seem to be an outstanding balance of £788.01. I haven't seen any evidence that HSBC has done anything wrong. So I don't think I can reasonably ask it to write the debt off.

I know that Mrs C isn't happy that her debt was sold on. I can appreciate her concerns but this is a business decision HSBC is entitled to take and not for me to interfere with. I've also seen HSBC's terms and conditions which do say it can transfer its rights and obligations to someone else. So I don't think HSBC did anything wrong in selling on the debt.

Mrs C has raised two other issues with us. Firstly she doesn't understand why HSBC have now given her a refund of just over £3,000. And why its given it to her now at the same time as she is being told she still owes money.

From the information Mrs C's given us I think that the payment HSBC has made is a payment protection insurance (PPI) refund. I can see this is confusing for Mrs C to get this payment at the same time she is querying an outstanding loan. But her outstanding loan and a PPI refund are two separate issues. I think it's just coincidence that the PPI refund came through when it did. But this complaint isn't about PPI. So if Mrs C isn't happy with the amount she's been given. Or the way this has been handled she would need to make a separate complaint.

Secondly Mrs C feels she should get compensation from the other businesses involved in this complaint. Unfortunately I can't consider that here as this complaint is about HSBC. If Mrs C does want to make a complaint about a different business she will need to do that separately.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 6 March 2017.

Bridget Makins
ombudsman