

complaint

Mr A complains that The Co-operative Bank Plc ("Co-op") sold his debt, and won't buy it back.

background

Mr A held a credit card account with Co-op, on which he defaulted. A five-year repayment plan was then agreed, subject to periodic review, at the end of which Co-op made a short settlement offer.

Mr A took over ten months to come back to Co-op with a counter-offer in settlement, by which time his account had been sold on to a debt collection agency.

As he was unable to reach settlement with the agency, he complained to Co-op, and it said it couldn't do anything to help him as it no longer owned the debt. It recommended he speak to the business who bought it, to see what could be agreed.

Mr A says that in selling-on his account and its pre-existing agreement not being honoured, Co-op had effectively shredded his credit agreement and he no longer owed any debt

Unhappy with Co-op's response, he contacted our service.

Our adjudicator looked at all the evidence, and couldn't see that Co-op had done anything wrong, and said now the debt was with another business, Co-op couldn't negotiate with Mr A, nor could she tell it to buy the debt back.

Mr A remained unhappy, and spoke about the debt no longer existing because the original agreement hadn't been honoured.

As no agreement could be reached, the complaint has come 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.

While I'm sorry to hear about Mr A's financial problems, and the fact he's been unable to reach an agreement on settling his debt, I can't say Co-op's done anything wrong here, and I can't ask it to do anything else for Mr A.

It sold on its debt, as it was entitled to do, after having made a repayment agreement with Mr A, and then making him a settlement offer. While I understand why it took Mr A some time to respond to that offer, ten months is a very long time, and because of this delay the account was sold on. Perhaps if that hadn't happened, matters might have resolved before now.

In any event, now that the account's no longer held by Co-op there's nothing it can do to assist with Mr A's negotiations with the business that bought it.

And insofar as the existence of the debt is concerned, Mr A doesn't dispute that it was originally his debt, and that the balance of it remained unpaid. That being the case, I don't see how it can be said to no longer exist.

my final decision

My final decision is that I don't think The Co-operative Bank Plc has done anything wrong, and so I won't be asking it to do anything to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 April 2016.

Ashley L B More
ombudsman