

## **complaint**

Mr R complains that Clydesdale Bank Plc sold his credit card debt to two debt collection agencies and that as a result he has overpaid.

## **background**

Mr R fell into arrears with his credit card debt and in 2005 the bank transferred the outstanding balance to its debt collection agents. Mr R failed to make some of the payments to the agency and his debt was sold to another agency in 2008. In late 2013 Mr R complained to the bank which said there had been a delay in transferring some funds from the first debt collection agency to the second one. It apologised and offered him £100 compensation. Mr R brought his complaint to the Financial Ombudsman Service as he considered he had overpaid by some £1,300.

The adjudicator sought further clarification from the bank on the payments made by Mr R and the balances transferred by the bank to the first agency and by it on to the second agency. As a result she identified that Mr R had overpaid by £199.12. The bank has offered to reimburse the overpayment plus interest and increase the compensation to £300. The adjudicator thought this was fair and reasonable, but Mr R did not agree.

## **my findings**

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

The bank transferred Mr R's debt to an agency as it was entitled to do. When he missed payments to that agency it was sold to another one. I have seen nothing to indicate that Mr R was making double payments to these agencies. There was delay in the first agency transferring some of Mr R's payments. There was also some confusion about the amount of the debt when it was moved from the bank and to the second agency.

As a result of Mr R bringing his complaint to this service the bank carried out a review of the debt and discovered that several errors had been made. The debt transferred to the second agency did not take into account the payments made by Mr R to the first agency. This meant some £750 was overlooked. However the agency then double counted some of the monthly payments made by Mr R. The net result is that he has overpaid £199.12. I can understand that Mr R remains unconvinced by the bank's calculations. However these have been reviewed by the adjudicator and I am satisfied that they are now correct. For that reason I uphold Mr R's complaint in part.

## **my final decision**

My final decision is that I uphold this complaint in part. I direct Clydesdale Bank Plc to reimburse Mr R £199.12 plus interest of £10.57, pay him compensation of £300 and send him a written apology.

Ivor Graham  
**ombudsman**