

complaint

Mr Y complains that – despite a repayment plan – Bank of Scotland plc (trading as Halifax) instructed agents to chase his credit card debt. He says this caused him distress - so Halifax should now write the debt off.

background

In late 2011, Halifax issued a default notice and then agreed a repayment plan. Mr Y was upset when – early the next year – he received debt recovery letters from collection agents.

The adjudicator did not recommend that the complaint should be upheld. He concluded that Mr Y owed a debt and the bank was entitled to ask for repayment. He said that Halifax had paid Mr Y £150 for distress – and this was in line with our usual approach.

Mr Y disagrees with the adjudicator's opinion. He says, in summary, that he received threatening letters from Halifax – but it did not respond to his letters.

my findings

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

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Mr Y has documented his dealings with Halifax and its agent. I accept that Mr Y had told Halifax that he was in financial difficulty. I see that the bank's response included refunding and suspending interest and charges. It also included agreeing a repayment plan.

I am satisfied that Mr Y was keeping to that repayment plan. Therefore I consider that it was inappropriate for Halifax to instruct its agent to write collection letters to him before the plan was due for review. And on balance I accept that Halifax's agent wrote to him again before the expiry of an agreed breathing space.

I see that – while Halifax itself responded to his complaint - its agents continued to write to Mr Y without corresponding to his letters.

I do not doubt that he found these letters – and Halifax's statements – confusing and distressing. And he was frustrated in trying to deal with Halifax by telephone.

But I am satisfied that Halifax responded to his complaint by paying £150. I consider that this is fair and reasonable compensation in line with our usual approach. I do not conclude that it would be fair and reasonable to order Halifax to write off all or half of the debt as Mr Y asks.

Overall I conclude that the bank's response was not unfair or unreasonable, bearing in mind its regulatory obligation to treat consumers who are in financial difficulty positively and sympathetically.

my final decision

For the reasons I have explained, my final decision is that I do not uphold this complaint.

Christopher Gilbert
ombudsman