

Complaint

Ms W complains that The Royal Bank of Scotland Plc (RBS) sold her debt to a third party without telling her.

Background

Ms W has told us she took out a £30,000 loan with RBS but after maintaining the payments she experienced some financial difficulties. RBS defaulted the account in 2014 and Ms W went on to agree repayments of £410 a month.

Ms W maintained her payments but earlier this year RBS decided to sell the debt to a different business. Ms W complained and RBS responded on 6 March 2019 but didn't agree it had made a mistake. RBS said it had taken the decision to sell the debt and didn't have to provide a warning.

As Ms W remained unhappy, she referred her complaint to our service. An investigator looked at what had happened but didn't uphold Ms W's complaint. He said that RBS was allowed to sell the debt. Ms W didn't feel the investigator's view was fair.

As Ms W didn't agree with the investigator her complaint has been passed to me to make a 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.

I can see that Ms W has worked hard to reduce the outstanding balance from £30,000 to around £6,000 via regular monthly payments. And I appreciate that RBS' decision to sell the debt to a third party has caused Ms W some concern. But I haven't seen anything to show RBS has made a mistake or treated Ms W unfairly by taking that decision.

I've looked at the terms governing the loan and they give the following information:

Transferring rights or obligations under this agreement

We may transfer our rights or responsibilities under this agreement to another person or organisation in the future. We'll only do this if we believe that you'll be treated to a similar standard after the transfer as we treated you beforehand.

The terms say that RBS can transfer its rights (ownership of the debt) to a third party. I'm satisfied that RBS has acted in line with the terms by taking the decision to sell the debt.

The terms also say that RBS will only sell the debt if it believes the new owner will continue to treat Ms W in a similar way. Whilst I understand Ms W is concerned that her debt has been sold to a third party, I haven't seen anything to show she's been treated any differently by the new owners. I understand Ms W's continued to make her loan payments. RBS says that if it receives any loan payments it will forward them to the new owner.

As the loan and Ms W's repayments will most likely continue as they have in recent years and her loan terms allow RBS to sell the debt to a third party I haven't been persuaded to

uphold this complaint. Ms W isn't disadvantaged by RBS' decision and she hasn't lost out financially. I wouldn't expect RBS to notify Ms W in advance of its decision and there's nothing in the terms that says it has to take that step. I understand Ms W wants to finish making her repayments to RBS, but I think it has dealt with her complaint fairly so I'm not telling it to take any further action or retrieve the debt from the third party.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 22 December 2019.

Marco Manente
ombudsman