

## **complaint**

Miss W complains that Bank of Scotland Plc (BOS) has treated her unfairly when it registered a default on her current account.

## **background**

Miss W had an *easycash* current account with BOS which went into an unplanned overdraft of more than £900.00 after a number of transactions were made in early February 2018. This account doesn't allow overdrafts as part of its terms and conditions.

Miss W contacted BOS on 6 February to let it know she wanted to arrange a repayment plan to reduce the overdraft. She explained the transactions which took her overdrawn were a result of online gambling, but she wasn't experiencing any financial difficulties. It was agreed at this point that Miss W would pay £69.00 per month starting on 28 February 2018. This wasn't met and the plan was broken in March 2018.

A second plan was set up in May 2018. This plan was to reduce the outstanding balance by £40.00 per month starting on 1 June 2018. Miss W wasn't able to meet the first payment on this and the plan was broken.

Miss W called BOS on 17 July to try and arrange a new repayment plan for the account. She was on the phone for over an hour during this call and was told at the end of it that BOS couldn't agree to a further repayment plan – as the previous ones had been broken. It was explained that the account would be closed and the outstanding balance passed to recoveries and this would be recorded on Miss W's credit file.

Miss W complained about the service she received on this call and that BOS was failing to offer another repayment plan. She felt the advisor she spoke with didn't know what he was doing and she needed her account to remain open as her wages were paid into it.

BOS looked at Miss W's complaint and said that it didn't feel the service she had received was unreasonable. It agreed she'd been on the call for a long time but she was trying to organise a repayment plan and to see what could be done. And there was nothing to suggest the amount of time she spent on the call was excessive.

Halifax registered a default on Miss W's account on 5 November 2018 and sent the outstanding balance to a collections agency for recovery.

Our investigator looked at the complaint and said he didn't think BOS needed to do anymore. He felt it had acted fairly when it arranged two payment plans and that it wasn't unreasonable for it not to try and arrange another after these had been broken. And it was fair that this information is recorded on Miss W's credit

## **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've decided not to uphold this complaint, for much the same reasons as our investigator. I know this will be disappointing for Miss W, but I'll explain why.

I've considered whether I think BOS should have done any more to help Miss W with her outstanding debt. And whether I feel it could have done anything differently in the call she made to it on 17 July 2018.

Miss W let BOS know she wasn't experiencing financial difficulties when she first arranged a payment plan. So there isn't an expectation for it to act in a positive and sympathetic manner when trying to find a solution to her debt. But it is fair to expect that it takes some reasonable steps to help reduce the impact of this on Miss W.

Miss W's account doesn't allow an overdraft normally based on its terms and conditions. But it was agreed a reducing overdraft could be left on the account while she paid off the outstanding balance. Two plans were put in place to facilitate this at different amounts. Despite this, neither plan was met.

As Miss W explained to BOS she wasn't in financial difficulty, it's fair to expect that the repayment plan agreed to would have been met. And when it wasn't, that BOS would question whether this would ever be met. The overdraft was on the account for over five months and in this time Miss W failed to reduce it.

When Miss W called in July 2018 to try and arrange a third plan for her account, I don't think BOS acted unfairly to say this couldn't be done. It took account of everything that had happened previously and made a decision on what it thought was best to try and move the account forward.

I've listened to the call Miss W had with BOS on 17 July 2018. I think the advisor Miss W first spoke with could have had a better understanding of the issues from the start. But he went away and spoke to a number of people to help clarify what was happening on her account. And he did his best to try and find an answer on this.

I appreciate the call ended with Miss W being told that no plan would be agreed and that the account would be closed with the outstanding debt passed to a recovery agent – and that this would impact on her credit file. This would have been disappointing for Miss W to hear as she was hoping to organise a new payment plan. But I don't think the call was excessively long based on what the adviser was trying to find out for Miss W – nor do I think there was a customer service failing during the call.

Overall, BOS is able to decide how it operates its accounts. It made a decision based on how Miss W managed her account, not to offer a further repayment plan. I don't think it has been unfair in doing this and I won't be asking it to do any more on this complaint.

**my final decision**

For the reasons I've explained above, I don't uphold Miss W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 18 March 2019.

Thomas Brissenden  
**ombudsman**