

complaint

Mr O complains about the way National Westminster Bank Plc treated his complaint and says this led to him incurring a large amount of legal fees.

background

Mr O says he has been badly treated by the bank in a number of ways. He had previously complained to this service about problems he had with NatWest. Mr O rejected the ombudsman's decision he received in relation to this in 2012. His present complaint relates to further errors he says NatWest has made since then.

After receiving the decision from this service in 2012, Mr O continued to write to NatWest, asking for further information. Mr O says the bank wrongly failed to respond to letters from himself and his solicitors and wrongly continued to pursue the debt it said was outstanding. Mr O says the bank made a number of other errors, these included failing to comply with the civil procedure rules when seeking to enforce the debt, giving misleading information about the default notice and using bullying behaviour. In 2014 Mr O was told by the bank that it would write off the remaining debt, Mr O's solicitors said this amounted to a total figure of approximately £28,000. Mr O wants NatWest to compensate him fully for the £10,000 solicitors fees he has had to pay because of its mistakes and to remove the default notice it has put on his credit record.

The adjudicator did not recommend that the complaint should be upheld. Although he agreed that the bank had not handled Mr O's complaint in the timely and accurate way that this service expects, he said part of the reason NatWest had written off the remaining debt was as a gesture of goodwill because it accepted its complaint handling had not been as it should have been. The adjudicator did not think that it would be fair to ask NatWest to do more than it had already done. NatWest has put a note on Mr O's credit record that the debt was partially satisfied in 2014. The adjudicator said this accurately reflects the situation and did not recommend the bank should alter this.

Mr O did not agree. He says NatWest wrote off the debt because it was never legitimately owed by him. He says that in any event the bank should pay his legal costs because they were only caused by NatWest's mistakes. Mr O says the note on his credit record should be removed because he never agreed he owed the debt and by writing it off, the bank has lost the right to argue that it was valid.

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.

I agree that NatWest's handling of Mr O's complaint was not as it should have been. In 2012 Mr O made further requests for information. Many of these related to issues that had already been included in the final decisions issued by this service and having rejected those, the bank was correct when it did not re-enter into correspondence and referred to Mr O to its final responses. It remained open to Mr O to take legal action. However, I am satisfied that

some new issues were raised and the bank made a mistake when it failed to respond to those.

I am also satisfied that the bank made an error in its letter of 2014 when it informed Mr O that it would no longer seek repayment of the debt and gave misleading information about the recording of defaults.

This service seeks to put people in the position they would have been in, had the mistakes not been made. I have to consider all the circumstances to decide what is fair and reasonable in all the circumstances.

NatWest is no longer pursuing the debt of over £28,000. I have considered all the correspondence and telephone notes that have been provided in relation to why this action was taken. I am not satisfied that NatWest wrote off the debt because it accepted Mr O never owed it. I am satisfied it is more likely that NatWest is correct when it says it accepted its complaint handling had not been as it should have been and it made a legitimate commercial decision to stop trying to enforce the debt. I am therefore satisfied that the bank's intention, at least in part, when writing off the £28,000 was to compensate Mr O for the mistakes it agreed had been made.

I am not satisfied that NatWest made all the errors that Mr O says it did, but even if it had and even if I had decided it should pay the full £10,000 in legal fees, the writing off of £28,000 would have far outweighed any compensation I would have awarded. I understand that Mr O will be disappointed with my decision, but for the reasons I have explained, I do not think it would be fair for me to require NatWest to do more.

I am satisfied that the indication on Mr O's credit file that the debt has been partially satisfied by him is an accurate reflection of what has happened. I do not agree that by writing off the debt NatWest has lost the right to say the debt was valid, it has a duty to record correct information and this is what it has done.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr O to accept or reject my decision before 21 May 2015.

Charlotte Holland
ombudsman