

## **complaint**

Mr G complains about the handling of his current account by Bank of Scotland Plc, trading as Halifax.

## **background**

I understand that Mr G opened a student account in 2008. Mr G had difficulty maintaining the account and Halifax put the account into recoveries in 2014. Third parties contacted Mr G about the debt but Mr G didn't reach any agreement with them, or Halifax, about repayment.

Mr G's complaint is:

- In October 2015, Halifax told him that it wouldn't sell his account to a debt purchasing company or pass it to any other third parties. He didn't think that information was correct.
- He hasn't heard from Halifax about the status of his account for some time.
- Halifax shouldn't have given him the account.
- The charges are unfair.
- He wants to know what actions Halifax will take to recover the debt.

Halifax said that it sent Mr G its final response in January 2015, so we can't deal with his complaint, as he referred it to this service too late.

The adjudicator said that he'd asked for the recording of the phone call in October 2015 but Halifax hadn't provided it, so he came to a view based on what he'd seen. He said Halifax probably told Mr G it wouldn't sell the debt – and then it did. The adjudicator didn't think Halifax was wrong to sell the debt, as it can do that. He thought the issue was that Halifax told Mr G, incorrectly, that it wouldn't sell the debt.

The adjudicator said he could see why Mr G was confused and upset when he received calls from debt collectors, as Halifax didn't tell him what was going to happen. He asked Halifax to pay Mr G compensation of £100 in relation to his trouble and upset.

Mr G didn't think compensation of £100 was enough. He said that £200 was fair. Mr G said Halifax didn't tell him that it had sold his account. He's recently found out that the account is back with Halifax and wants to know if it will ever sell the account or take legal action, as in October 2015 it told him that it wouldn't do either of those things.

Mr G said he'd asked Halifax for statements of his account and hadn't received them. He thinks that Halifax has a recording of his phone call with it in October 2015 and is being difficult by not providing it. He's concerned that Halifax has lied to him as he's been told different things by different departments.

Halifax didn't agree to pay Mr G £100. It said that in its final response in January 2015, it dealt with the part of Mr G's complaint about selling the debt. So, this service can't deal with that, as Mr G referred it to us too late. It said that in January 2015, it told Mr G that it reserved the right to instruct third parties to pursue the debt. Halifax said that Mr G didn't raise any new points in the complaint he made in October 2015.

### **my provisional findings**

I sent Mr G and Halifax my provisional decision in May 2016. I said there's one part of Mr G's complaint I can't consider. In relation to the other parts, I didn't think Halifax was at fault.

I explained that our rules say we can't normally deal with a complaint if it is referred to us more than six months after the date of the business' final response letter. Halifax says that applies here but I didn't entirely agree.

I said that Halifax's final response letter to Mr G in January 2015 dealt with Mr G's complaint about it passing the debt to a third party. That's not what Mr G complains about now. His complaint is as I've set it about above.

Having said that, I noted that Mr G previously complained to us about the charges Halifax applied to his account. Halifax's final response letter to Mr G about the charges was in October 2014. Mr G made his complaint to us about the charges in November 2015. That was more than six months after Halifax's final response letter. So, we can't deal with that part of Mr G's complaint, as it was made too late. I also said that an adjudicator dealt with Mr G's complaint about the charges in her letter to him in February 2015. I said I didn't propose to deal with the part of Mr G's complaint that relates to charges again.

I said that Mr G says in October 2015, Halifax told him that it wouldn't sell his account to a debt purchasing company or pass it to any other third parties. Halifax hadn't provided a recording of that call, so it wasn't possible for me to know for sure what was said.

I said that if Halifax told Mr G that the debt wouldn't be sold, it would, in fact, have been correct. Halifax now says that it didn't sell the debt and that it's remained with the bank throughout. I said it was clear Halifax has asked third parties to help it recover the outstanding debt. Generally, it's allowed to do that. I said it doesn't mean that it sold the debt.

I said it would be most unusual for a bank to say that it wouldn't involve third parties in collecting a debt. I didn't think I could safely conclude Halifax told Mr G that. Even if I came to a different view about that, it's clear that Mr G wasn't misled. He says he found that information "*bizarre*", so he didn't believe it or rely on it. I didn't think it was fair or reasonable to ask Halifax to pay Mr G compensation in relation to information it gave to him in October 2015.

Halifax closed Mr G's account and referred it to recoveries. In its letter to Mr G of January 2015, it told him that his account was with a third party and gave him a contact phone number for that third party. I said Halifax doesn't have to tell Mr G in advance how it's dealing with the matter. I didn't think Halifax has a duty to tell Mr G what its plans are in relation to the outstanding debt.

Based on what I'd seen, I didn't think Halifax was at fault in providing Mr G with the account in the first instance. It was a student account and Mr G was a student at the time. As Mr G opened the account several years ago, there's now limited information available about what happened when he opened the account. I noted what Mr G says about his other debt but I don't think that the bank was at fault in offering the account to Mr G. As Mr G had the use and benefit of the overdraft, I thought Halifax wasn't at fault in asking for repayment.

### **responses to my provisional decision**

Halifax didn't have any comments on my provisional decision. Mr G reiterated several points about his conversation with Halifax in October 2015. He says that he still hasn't received copies of his annual statements for 2008-2014, which he asked for in January 2016, and that Halifax refused to deal with his request while he had an ongoing complaint with this service. Mr G says it's been very difficult dealing with Halifax.

### **my findings**

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr G remains concerned about what he says Halifax told him in October 2015. Halifax hasn't provided a recording of that phone call. This service can't compel a business to provide phone recordings. Even if the recording was available, I don't think it would alter the outcome here. If Halifax told Mr G that the debt wouldn't be sold, it would, in fact, have been correct. I don't think Mr G was misled by what he says he was told in the October 2015 phone call.

My provisional decision didn't cover Mr G's request for annual statements in January 2016 as that wasn't part of his original complaint to Halifax. That means Halifax hasn't had an opportunity to consider it. If Mr G remains concerned that he hasn't received the statements he asked for, he should first take the matter up with Halifax. If he's not happy with its response, he can refer that complaint to this service.

For the reasons set out in my provisional decision, I remain of the view that we can't deal with Mr G's complaint about charges, as it was made too late. In relation to the remaining parts of Mr G's original complaint, as summarised above, for the reasons I've previously set out, I don't think Halifax was at fault.

### **my final decision**

For the reasons set about above and in my provisional decision, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 14 July 2016.

Louise Povey  
**ombudsman**