

complaint

Miss D is unhappy that Santander UK Plc ("Santander") have passed her debt onto a third party debt collection agency ("the third-party agency") to manage.

background

Miss D holds a credit card with Santander. She fell into arrears and entered into a payment arrangement in 2013. Miss D says she has been making regular repayments since then, and was unhappy to learn that Santander had sold her debt on to be collected by a third-party debt collection agency in November 2018. She complained to Santander because she doesn't like dealing with the third-party agency, and wants them to buy back the debt and recall her account.

Santander said they hadn't sold the debt, and it was still owned by them. However, following a review, Santander decided that some of their accounts in default should be managed by the third-party agency, who would oversee the administration of the account. Santander said this was a legitimate commercial decision they were entitled to make, and it was made in accordance with the terms and conditions of Miss D's account.

Our investigator didn't uphold Miss D's complaint, as she agreed that Santander were entitled to appoint a third party to manage the account, and that it didn't appear they'd done this unfairly. Miss D disagreed, so the complaint has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've decided not to uphold it.

The terms and conditions of Miss D's credit card account state:

"23.3 We may transfer to any other person or business any or all of our rights under this agreement at any time and our duties...If the arrangements for servicing your account do not change as a result of this assignment, we may do this without notice, but we will tell you if and when the arrangements do change".

Santander have confirmed that they have not sold Miss D's debt onto a third party collection agency, but rather they've passed on the *administration* of the account. Santander still own the debt, but even if they had disposed of the debt itself to the agency, they would be entitled to do so under the above terms and conditions of the account. So I don't think they've acted unfairly by simply asking a third party to help administer the debt.

I can see that Santander also wrote to Miss D – in accordance with the terms and conditions – on 30 November 2018, where they explained that her account would now be managed by the third-party agency. They also set out that any arrangements that had been put in place with Santander would remain unchanged, but that the agency would be monitoring the payments going forwards.

I'm satisfied that Santander have acted in accordance with the terms and conditions of Miss D's account in choosing to transfer the administration of her debt to the third-party agency, as well as writing to her to give notice of their intention to do so. So I don't think

Santander have treated Miss D unfairly in the circumstances, and I will not be asking them to do anything further.

my final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 21 April 2019

Jack Ferris
ombudsman