

## **complaint**

Mrs N complains that Bank of Scotland sold her account to a debt collection agency. She wishes the debt to be passed back to the bank.

## **background**

Mrs N's account was defaulted and closed in January 2010. Mrs N raised a complaint with this service about transactions and charges previously applied, and about the bank's handling of the account. That complaint was considered by an ombudsman and a final decision was issued in 2012.

In December 2011 the bank passed the debt to a debt collection agency. Mrs N has complained that the bank should not have sold the debt while her complaint was being considered by this service, as the bank had said action was 'on hold' at the time. Mrs N has also complained again about the transactions made on the account when it was open.

Mrs N is also unhappy with the way the debt collection agency has behaved.

Our adjudicator did not recommend that the complaint should be upheld. In summary she said:

- The account was defaulted and closed as it had not been used for 18 months and remained overdrawn. The adjudicator did not feel the bank had acted unreasonably in the circumstances.
- The bank is entitled to pass the debt to a collection agency when there is an outstanding debit balance on an account.
- When a bank sells a debt to an agency, it has an obligation to ensure it is a reputable firm. The agency in question was regulated by the Office of Fair Trading and adheres to the Credit Services Association code of conduct, so she could not conclude the bank should not have sold the debt to this particular agency.

Mrs N disagreed with the adjudicator's conclusions. She remains unhappy with the decision on the previous complaint and says it should be considered again.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I understand that Mrs N is unhappy with the result of her previous complaint, but an ombudsman's final decision was issued and I am therefore unable to consider the same issues again.

The core question in Mrs N's current complaint is whether the bank acted unfairly or unreasonably when it sold the debt to a debt collection agency in December 2011. I note that no payment had been made to the account since June 2009. As the adjudicator said, a bank is entitled to sell an outstanding debt to a debt collection agency. At the time the debt on Mrs N's account was sold, the Financial Ombudsman Service was considering her previous complaint so the bank asked the agency to place a hold on any action on the account while

the complaint was ongoing. Taking all these factors into account I do not consider that the bank acted unfairly or unreasonably.

If Mrs N remains unhappy with the actions taken by the debt collection agency then she should raise her complaint with that agency in the first instance. Bank of Scotland no longer owns the debt and it is not responsible for the actions of the agency.

**my final decision**

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

Colin Brown  
**ombudsman**