

## **complaint**

Mr C's unhappy that National Westminster Bank Plc (NatWest) are chasing him for payment of a debt on a personal credit card account which he thought had been paid off in 2016.

## **background**

NatWest say that Mr C held a personal credit card account with them, and the last payment for this account was made in December 2012. Due to financial difficulties Mr C filed for Bankruptcy. The Bankruptcy was annulled by the Court in 2013 because Mr C appointed an insolvency practitioner (IP) to manage his individual voluntary arrangement (IVA).

Mr C has provided a copy of a letter sent by his IP to NatWest in October 2013. The letter referred specifically to a business account, and asked whether NatWest wanted to make a claim from the IVA. The response from NatWest confirmed that there wasn't a balance on the business account referred to.

On 1 December 2014, Mr C's IVA failed. Mr C says that in September 2016 he took out a loan, and paid all his creditors in full. Mr C's IP applied to the Court to have the outstanding bankruptcy petition dismissed, which was granted in September 2016.

NatWest say they were informed in March 2018 that Mr C's IVA had failed. Because of this, they started pursuing Mr C directly for the balance owed on his personal credit card account.

Mr C complained to NatWest about them chasing him for this debt as he believed all his outstanding debts had been cleared in 2016. Mr C says NatWest should waive this debt. NatWest say they only found out that the IVA failed in 2018, so that's why they only started chasing Mr C from this time.

The investigator was empathetic to Mr C's circumstances but found that NatWest acted fairly in chasing Mr C. This was because there's no evidence of the personal credit card debt being repaid to NatWest, and so they're entitled to contact Mr C directly for payment. Mr C didn't agree with this, saying that NatWest held his home address and should've contacted him, and that it seems likely that NatWest have sold the debt. As the complaint couldn't be resolved, it's been passed to me for decision.

## **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 understand that this has been an upsetting time for Mr C. Having reviewed the case, I think NatWest have acted fairly, and I won't be recommending they do anything more.

Mr C feels strongly that when he appointed an IP in 2013 to manage his IVA, NatWest were contacted and they didn't advise the IP of any outstanding debt owed to them. I've seen that Mr C's IP did contact NatWest in 2013, but the letter was specifically asking about Mr C's business account. NatWest responded saying there wasn't a balance on Mr C's business account. I understand Mr C's comments that NatWest should've told the IP about the personal credit card account at the time.

In this case I think it's fair that NatWest provided a response to the specific account that was detailed in the letter sent to them in 2013. The letter was asking NatWest if they wanted to

make a claim for Mr C's business account, and this was the account NatWest provided a response for. So I can't say they've acted unfairly by failing to provide details of the personal credit card account debt.

Mr C says NatWest should've contacted him at his home address. As Mr C's IVA was being managed by his IP it was reasonable for NatWest to have corresponded directly with the IP, so I can't say they've acted unreasonably here.

Mr C says NatWest should've contacted him sooner about the outstanding debt. I accept that it must've come as a shock to Mr C when he was contacted by NatWest about a debt he thought had been settled in 2016. Overall I don't think the amount of time between Mr C thinking that his debts had cleared in 2016, and NatWest contacting him in 2018 was unreasonable. In reaching this view I've considered that there's no evidence to show that the debt had been settled. I think it was fair for NatWest to contact Mr C at the first opportunity that they became aware that the IVA had failed.

Mr C says it's likely NatWest have sold his debt. I haven't seen any evidence to say this is the case. So I can't say they've done something wrong here.

The evidence shows Mr C had a personal credit card account with NatWest, and the last payment for this account was made in December 2012, with an outstanding balance remaining due. I haven't seen any evidence to say that the outstanding balance has been cleared. I don't think it would be fair to ask NatWest to waive this debt.

### **my final decision**

For the reasons provided I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 5 September 2019.

Neeta Karelia  
**ombudsman**