

complaint

Miss G complains about the way Bank of Scotland plc treated her during a period of financial difficulty. She says she thought the bank had stopped applying interest and charges to her credit card account, but it hadn't, and she understood the debt had been written off and she need make no more payments – but that turned out not to be the case.

background

Miss G had a number of accounts with the bank. This complaint is about her credit card account. Miss G says she phoned the bank to tell it she could no longer afford the monthly payments, and it agreed to stop applying interest and charges – but that didn't happen.

Miss G stopped making payments to the account in 2009. She says she did so because a company she had engaged to challenge the debt told her she should stop paying. She says she also understood the debt had been written off, but a debt collection agent has recently contacted her asking for payment.

Our adjudicator didn't recommend that the complaint should be upheld. She found nothing in the bank's records to indicate that Miss G had told it about her financial difficulty, and she considered the bank was entitled to ask for payment.

Miss G didn't accept that conclusion. She still thought the bank had been unreasonable and failed to help her. She also explained that she had paid a claims management company and understood she didn't need to pay the credit card debt.

my findings

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

Like the adjudicator, I find the bank's records don't suggest Miss G told it that she was in financial difficulty. In any case, even if the bank had known about her circumstances, it wouldn't necessarily have been appropriate for the bank to have suspended charges. What is appropriate will depend on the customer's individual circumstances.

The bank's records do show that it tried repeatedly to contact Miss G about the debt but she didn't engage with it. In the circumstances, I don't consider the bank acted unreasonably. It stopped applying interest and charges in April 2010. I think that was a reasonable step for it to have taken, and I see no particular reason why it should have stopped making charges sooner. Miss G's complaint about payment protection insurance on her credit card has been dealt with separately, although I observe that no charges for this were applied from 2007 onwards.

It seems that Miss G's representatives did tell her she could stop making payments. But that was in 2011. Miss G had already stopped paying in 2009. And I am satisfied that the bank didn't agree to this. If Miss G was misled into thinking the debt had been written off, that's not the fault of the bank.

There's no dispute that Miss G borrowed the money she spent on the credit card. So I find the bank is entitled to ask her to pay it back, or to instruct agents to do so. I would expect the bank and its agents to treat Miss G positively and sympathetically if she continues to experience financial difficulty.

my final decision

My final decision is that I don't uphold this complaint.

Janet Millington
ombudsman