

complaint

Miss R complains that Barclays Bank PLC has wrongly sold her debt to a debt recovery company when it agreed to write it off.

background

Miss R got into financial difficulties with her business current account and business loan. Miss R said that she agreed with the bank in June 2010 that she would repay the interest and the bank would write off the remaining debt. Miss R said that she was sent a letter about this which she has now lost.

The bank says that it has no record of this arrangement and it was agreed that Miss R would take out a loan to pay the debt in full. This loan was never set up because Miss R did not return the paperwork. The bank says that because no repayments were received the accounts were closed and eventually the debt was sold on to a debt recovery company.

The adjudicator did not recommend that the complaint should be upheld. She concluded that there was nothing in the bank's notes and Miss R had not been able to provide any evidence that would support the view that the bank had agreed to write off the debt in June 2010. She considered that the evidence showed that the arrangement was to settle the debt by way of the loan which was not set up.

Miss R did not agree and responded to say in summary, that the arrangement was made over the telephone and this was overheard by a witness and the bank should have a record of the call. A letter was also sent confirming the arrangement. Miss R says that she does not know anything about a loan.

my findings

I have considered everything that Miss R and Barclays have said and provided in order to decide what is fair and reasonable in this complaint.

Where the evidence is incomplete, inconclusive or contradictory as is the case here, I must reach my decision on the balance of probabilities - that is, what I consider is most likely to have happened, given the evidence that is available and the wider surrounding circumstances.

I can see from the payments made at the time that Miss R paid £20 per week for just over a year. These payments add up to much more than the interest figure she says she had agreed to repay. Miss R complained in September 2010 that the business account had been closed. The bank wrote to her and explained that this was because the loan paperwork had not been received and the accounts were in arrears and had been transferred to recoveries.

This letter was sent to Miss R's previous address. Although the letter may not have reached Miss R, this suggests that it is more likely that there was no agreement to write off the debt.

I am unable to conclude on the information I have seen that there was any agreement to write off the debt because this is inconsistent with the loan arrangement and records of the bank, and the payments made by Miss R.

my final decision

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

Emma Boothroyd
ombudsman