

complaint

Mr F complains about a debt National Westminster Bank Plc has been demanding he repay. He is complaining about this debt for a number of reasons.

background

In 1999 NatWest obtained a County Court judgment against Mr F in relation to a debt that Mr F says is not his. Mr F says he was having a breakdown at the time and others managed his finances. Following the judgment Mr F says NatWest was paid £50 a month as required by the judgment. NatWest says that Mr F stopped making payments in 2012. NatWest says it instructed collection agents to recover the debt as a result. Mr F complained that these agents were harassing him and had claimed he owed £7,756.65.

Mr F complained to NatWest about the debt saying that it was not his. He said he had evidence that NatWest staff had been involved in fraud in 1999. NatWest investigated Mr F's complaint and provided information about the debt it says he owes. Mr F subsequently questioned NatWest's records and then complained to us.

Following our involvement NatWest agreed to write off the remaining debt it says Mr F owed, namely £5,535.01. Our adjudicator did not recommend NatWest do anything else as he considered the steps NatWest had taken were sufficient. Mr F asked for an ombudsman to review his complaint as he felt we had not answered his questions or investigated properly. He said that NatWest had written off the debt so that we would not look into his allegations.

my findings

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

how much did Mr F owe in 1999?

NatWest obtained a County Court judgment in 1999 requiring Mr F to pay £13,023.01 in £50 instalments every month. The judgment made it clear that interest should not be added to this debt.

Mr F has made allegations about NatWest staff at the time which he says casts doubt on whether or not the debt was his. The allegations Mr F has made are detailed ones and relate to events over 15 years ago – they are the type of allegations that are more suited to Court. I am not, therefore, going to deal with them in this decision.

I am also not going to question the County Court's judgment. For the purpose of this decision, therefore, I accept that Mr F owed NatWest £13,023.01 in 1999.

how much did Mr F repay between 1999 and 2012?

NatWest has acknowledged that the records it has about the debt Mr F owes are incomplete - not only because the debt is over 15 years old but also because it changed its systems in 2002. Mr F has more comprehensive records than NatWest but even he accepts his records are incomplete given that some were destroyed in floods in 2007. In the circumstances, I am satisfied that neither party can say for certain how much Mr F repaid between 1999 and 2012. It follows that neither can I. I am, however, satisfied that even if Mr F had paid £50

every month between 1999 and 2012 there would have still been an outstanding balance. I say this because the County Court required Mr F to repay the debt at a rate of £600 a year – in other words, to repay the debt over a period of more than 20 years.

how much did the debt collectors say was due?

I am satisfied that the debt collectors who wrote to Mr F said that he owed £7,756.65. Mr F disputed this and NatWest has since acknowledged that this figure was wrong. NatWest says that Mr F owed £5,535.01. I cannot say for certain whether that figure is correct. I am, however, satisfied that Mr F cannot have reduced the debt to below £3,000 given that it would have taken him 15 years to reduce the debt by £9,000.

how reliable are NatWest's records?

NatWest has provided a statement for the County Court judgment debt. In addition it has provided statements for a number of accounts in Mr F's name. I am satisfied that the statements for the accounts in Mr F's name have been produced for NatWest's own internal purposes and that the statement for the County Court judgment debt is the only statement relevant to the question of what Mr F owes. I can understand why Mr F has questioned the statements that were produced for NatWest's own internal purposes, but I do not feel it is helpful to make findings about these other statements as they do not go to the key issue of what, if anything, Mr F owes. As I have already said, neither party has complete records. Neither of them can, therefore, say for certain how much Mr F owed when he complained to us. I am, however, satisfied that it is no more than £5,535.01 and no less than £3,000.

how much does Mr F owe now?

Following our involvement NatWest told us that it has decided to write off the remaining debt Mr F owes. Mr F was not aware of this until we told him. NatWest says this means it has written off £5,535.01. In the circumstances, whatever Mr F owed when he complained to us, I am satisfied he now owes NatWest nothing.

should NatWest do more?

Our adjudicator did not recommend NatWest take further action given that the £5,535.01 it has agreed to write off is far more than any award we would have made. Mr F says he did not owe as much as £5,535.01. Even, however, if Mr F owed as little as £3,000 I would still not require NatWest to pay any further compensation as I would not award Mr F more than £3,000 for the mistakes he says NatWest has made. I am, however, going to require NatWest to write to Mr F to confirm that it has written off the balance of the County Court judgment. I am going to do this because NatWest has said it will not provide Mr F with a letter of discharge and I do not consider this to be fair. That is the only other thing I am going to require NatWest to do.

my final decision

My final decision is that I require National Westminster Bank Plc to write to Mr F to confirm that it has written off the balance of the County Court judgment it obtained against him in 1999.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 16 January 2015.

Nicolas Atkinson
ombudsman