

complaint

Mr B complains that Nationwide Building Society did not take his financial difficulties into consideration.

background

Mr B was receiving assistance from a debt advice agency. He had been making payments under a repayment plan to Nationwide for his credit card debt. The repayment plan was under regular review and Nationwide had suspended interest and charges on his account. The debt advice agency said that Mr B was able to pay less than Nationwide expected under the repayment plan. Nationwide said that if Mr B was unable to afford this higher repayment, or make an offer of partial settlement by lump sum payment, it intended to start legal proceedings to recover the debt. Mr B said this was unfair, and did not take into account his financial difficulties.

The adjudicator did not recommend that the complaint should be upheld. She said that Nationwide was entitled to regularly review the repayment plan, and if Mr B was unable to make the required repayments, it was entitled to look at other options for pursuing the debt.

Mr B did not agree with the adjudicator's recommendation and asked for his case to be reviewed by an ombudsman.

my findings

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

Banks are required under the Lending Code to respond positively and sympathetically to a customer's financial difficulties.

Nationwide suspended interest and charges on Mr B's debt, and for a period accepted payments below the contractual amount due. Mr B's debt would have taken around nine years to repay if paid back at the amount being paid under the repayment plan. I do not consider, therefore, that Nationwide acted unreasonably when it decided to pursue other options for recovery of the debt, bearing in mind the amount of the debt, and the repayment proposal. I find that it did what was expected of it under the Lending Code. It also told Mr B that if it took legal proceedings, and obtained a charging order over his home, it was not its policy to force him to sell his home, but it would wait for the debt to be repaid, or recover the debt when he sold his home.

my final decision

My decision is that I am sorry to disappoint Mr B, but I do not uphold his complaint.

Kim Parsons
ombudsman