

complaint

Mr G had a credit card account with MBNA Limited. He complains it sold this account to a company which didn't have a consumer credit licence. He doesn't know who he should now be paying.

background

Mr G went into default on his credit card account with MBNA. It sold the account.

MBNA initially told him it had sold the account to a company I shall call B. But later it told him it sold the account to a company I'll call C. It went on to say B and C are partners. Despite this service raising a number of questions with MBNA it is still not entirely clear who bought Mr G's debt from MBNA. But it does now seem the debt is owned by a third company, D.

Mr G complains B didn't have a consumer credit licence when he was taken to court to recover the debt, so MBNA shouldn't have sold the debt to it.

The adjudicator did not recommend the complaint should be upheld. She concluded:

- MBNA was entitled to sell the debt;
- looking at the information Mr G had supplied, B appeared to have a consumer credit licence on the date the debt was sold; and
- the management of the debt after it had been sold was the responsibility of the new owner.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities - in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I consider as Mr G has been taken to court over this debt the appropriate place to consider whether B or C owned the debt and had a current consumer credit licence was in these court proceedings. But I consider it is reasonable for this service to look at whether MBNA was entitled to sell the debt. And whether it took reasonable steps to ensure it was sold to an organisation which had a consumer credit licence at the time of sale.

Under the terms of the credit card agreement MBNA was entitled to sell Mr G's debt.

I have seen evidence that both B and C had a consumer credit licence at the time the debt was sold.

I consider MBNA has tried to help Mr G when he raised his complaint. And he now knows who owns his debt. But I consider it hasn't been as clear with Mr G as it could have been. Whilst I consider this has caused Mr G some inconvenience, I don't consider that the inconvenience is great enough to justify making an award in this case.

I should just say this decision is about MBNA only. I make no decision about any other organisation.

my final decision

My decision is that I do not uphold this complaint.

Nicola Wood
ombudsman