



complaint

Mr B complains that due to the poor performance of an investment with the Bank of Scotland plc he has been unable to pay off his credit card debt. He also complains that most of the debt is made up of charges and interest.

background

Mr B made a separate complaint about the poor performance of an investment he made with the bank and this has been resolved following the intervention of this service.

In 2008 Mr B opened a credit card account. He struggled to make regular payments and while he was in dispute with the bank regarding his investment chose not make payments due on his card. As a result he built up arrears and the bank passed the account to its recoveries team and recorded adverse information on his credit file.

Mr B complained and the bank reviewed its records. He had contacted the bank in 2012 explaining his financial difficulties and it had not taken action. The bank accepted that it had not acted promptly and refunded interest and charges from 2012 of some £1,500 and paid compensation of £200. Mr B brought his complaint to this service.

The adjudicator did not recommend that this complaint be upheld. She considered the bank had responded fairly to Mr B's complaint. He had said that most of the debt was made up of charges and interest, but the adjudicator identified that most of it was due to a balance transfer made by Mr B. He said this was from another card held with the bank, but the bank has no record of a transfer from another one of its cards. Mr B did not agree.

my findings

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

I appreciate that Mr B fell into financial difficulties and these may have arisen in part from his investment with the bank. However, I do not consider that that should absolve him of responsibility for paying his credit card debt. He failed to make a number of payments over the years and latterly stopped making any as part of his complaint about the handling of his investments.

I accept that he tried to engage with the bank in 2012 to solve the problem and it ignored him. The bank has accepted it failed him and has repaid interest and charges plus compensation which I consider to be a fair and reasonable response.

I appreciate that Mr B believes that the majority of his debt is due to interest and charges, but the statements show that most of it is due a balance transfer from another card. He says that this was from another Bank of Scotland card, but the bank can find no evidence of this and Mr B has not provided any further documentation to support his view. On balance I accept that the balance transfer was not from another Bank of Scotland account and as such little of the outstanding debt is due to interest and charges. I would add that I am satisfied that those charges and interest sums were imposed correctly by the bank.

In conclusion I do not consider the bank has acted wrongly in its handling of this matter and I suggest that Mr B contacts it to discuss how he can clear his debt. I would remind the bank of its obligation to deal with Mr B positively and sympathetically in helping him resolve his financial difficulties.

my final decision

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 6 January 2015.

Ivor Graham
ombudsman