

complaint

Mr F complains Bank of Scotland plc should write off a debt as it is now unenforceable because it is statute barred.

background

Mr F took out a loan with a business for which Bank of Scotland is responsible. He says he was then involved in an accident as a result of which he was no longer able to work. In the circumstances he had problems keeping up his repayments. Bank of Scotland says Mr F made payments until 2008. Bank of Scotland says that it sold the debt to M, a third party, in 2009.

Mr F complained to Bank of Scotland in 2014 saying that the debt was unenforceable because it is statute barred. Bank of Scotland investigated Mr F's complaint but did not uphold it saying it had sold the debt to M and prior to that had been receiving payments from him. Mr F complained to us.

Our adjudicator did not recommend that this complaint be upheld as he considered Bank of Scotland had sold the debt to M. In the course of dealing with Mr F's complaint, our adjudicator spoke to M who agreed to write to Mr F to confirm that it had now written off the debt it bought. Mr F disagreed with our adjudicator's recommendations and wanted a letter from Bank of Scotland saying the debt had been written off. He asked for an ombudsman to review his complaint

my findings

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

Bank of Scotland used to own the debt Mr F says is unenforceable but has sold it to M – a third party. Bank of Scotland sold the debt in 2009. I cannot say that Bank of Scotland did anything wrong selling the debt. Its decision to sell the debt was a legitimate commercial decision. I am also satisfied it was receiving payments from Mr F until 2008. In the circumstances, I am satisfied that Bank of Scotland does not need to take any further action.

my final decision

My final decision is that I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 30 January 2015.

Nicolas Atkinson
ombudsman