

complaint

Ms D complains that Santander Cards UK Limited sold her account to a third party debt collections agency and would not agree a repayment plan. She is also unhappy about the number of administrative errors, such as name and address inaccuracies, on her account.

background

Ms D's account was passed to different debt collection agencies after payments were missed for a number of months. She did enter into a repayment agreement but stopped making payments after a number of months when she asked for the debt to be written-off.

During a systems migration, the house number on Ms D's account was incorrectly changed. The bank accepted this error and paid £175 as a gesture of goodwill. Ms D also said that she was addressed as Mrs in error but the bank's records show that the account was opened with that title. It was completed in that way on the application form she signed.

Our adjudicator did not recommend that this complaint should be upheld. He said that the bank was entitled to pass the account to third party debt collectors and it had not breached the agreement. He found that the goodwill payment for the address error was fair and we would not have recommended a different response.

Ms D disagreed, saying the bank should not have passed on her debt without a deed of assignment and a signed novation agreement. She also raised the issue that there had been court proceedings against her to recover the debt, but under a different lender's name which she said must be fraudulent. We advised that as this was a new complaint she needed to first raise it with the bank.

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 am not persuaded that the bank needs to take any further action. The bank was entitled to transfer the debt to third party collections agents without her signing any additional agreements. In the original terms and conditions it was made clear that the bank could transfer any amounts owing as long as it did not negatively impact the payment terms. I find that the bank acted sympathetically and positively by agreeing to nominal repayments, but Ms D did not stick to this plan. As the court has now ruled on the debt, Ms D is bound by its judgement.

With regards to the address error, I consider that the goodwill payment is appropriate. I understand that Ms D suffered some distress as her neighbour opened the mail but I do not find that the bank can be held solely liable for this, certainly not beyond the level of compensation already paid. As the title of 'Mrs' matches the signed application form I do not consider the bank has made an error there.

my final decision

My final decision is that I do not uphold this complaint.

Rebecca Connelley
ombudsman