

The complaint

Mr T complains National Westminster Bank Plc (NatWest) sold his credit card debt but didn't provide the up-to-date balance to the debt purchaser.

What happened

As I understand it, Mr T had a credit card debt for £2,927.30 which defaulted in June 2020. As no payments were made, the account was passed over to a company I'll refer to as M to manage. Eventually, the debt was sold to a debt purchaser who I'll refer to as L on 31 December 2022. A payment of £27.30 was made on 4 January 2023 and passed on to L on 13 February 2023.

Mr T said he'd paid more towards his credit card account than the above and complained about the balance being incorrect when the debt was sold.

NatWest explained the above information and said if Mr T had evidence of his payments, then he could share that with them, and they'd look into things further.

Unhappy with this, Mr T asked us to look into things, saying he'd repeatedly reminded NatWest it's not his responsibility to do their work for them, but he said he'd been ignored.

One of our Investigators considered things – and after speaking to M – established a payment of £400 had been made. She felt NatWest needed to speak to M to resolve this, but didn't think compensation was due, as she felt Mr T could have mitigated this issue by providing the information NatWest had asked for.

Mr T didn't accept this, he said he'd stated from the very beginning it's not his responsibility to handle communications between NatWest and their partners. Later, Mr T also let us know M had paid him £400 without explanation, and when he's called them, they've simply said the account is closed, and the refund was made due to it being an overpayment.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've been through all of the information NatWest provided to our service – and all of it shows the balance of £2,927.30 was correct.

Why M didn't tell NatWest Mr T had paid £400 I don't know, but I think it's clear NatWest didn't have the information – based on what I've been provided.

I do think it could have been helpful if NatWest had contacted M to find out if what Mr T was saying was true. But equally, I think Mr T could have helped NatWest with his complaint by providing the information NatWest had asked for.

As our Investigator explained, we do expect consumers to mitigate any impact as a result of a complaint. Things go wrong, and some inconvenience is always to be expected when that happens.

Here, I think NatWest asked Mr T for help in resolving his complaint, and he replied to say it wasn't his responsibility to ensure communication between NatWest and their partners is happening. While I accept he's right, that does mean NatWest didn't have any further information to go on.

Putting things right

In light of the refund of £400, I think it's even more important NatWest carry out our Investigator's recommendation to speak to M to find out what's going on. Once they've done so, then I'll require NatWest to write to Mr T to explain what happened with the £400 payment, why they didn't know about it, and what the current situation is.

I think it's important to explain that, as NatWest have sold Mr T's account to L – as they're entitled to – Mr T's future communication regarding this debt will likely be with L.

I've noted Mr T hasn't explicitly said he wanted compensation, but I don't think any is appropriate so I'll address this. The key reason I say I don't think compensation is required is because I've not identified any errors by NatWest in the information they had, and they did ask Mr T to help them find the payments. So, in the circumstances, I don't think they've done much wrong – even though I do think they need to carry out the actions above to resolve this complaint.

My final decision

I partially uphold this complaint and require National Westminster Bank Plc to speak to M and then write to Mr T in line with what I've said above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 31 January 2024.

Jon Pearce
Ombudsman