

The complaint

Mr R complains that Creation Financial Services Limited (Creation) sent him a credit card which was declined on a number of occasions and therefore didn't work properly.

What happened

Mr R took out a credit card with Creation and when trying to use it, found that his transactions were being declined causing him inconvenience and embarrassment in his local community.

Mr R contacted Creation to complain. They initially said his card should work, however it continued to be declined. Mr R ended up making four phone calls to Creation and raised a complaint.

Creation wrote to Mr R and while they didn't feel they had made any errors, they apologised for the time it had taken them to give Mr R an answer and credited his account with £30.00 as a gesture of goodwill due to the inconvenience caused. They also explained that if Mr R were to use the chip and pin facility rather than the contactless option, it would work. Mr R said he attempted to use the card again with chip and pin a further two times, but it was declined. So he brought his complaint to our service.

Our investigator looked into the complaint and agreed Creation hadn't done anything wrong. He explained that Creation had provided a list of the declined transactions which showed that all of them were made using the contactless facility of the card. He couldn't see that there were any attempted using chip and pin. Because Creation had explained to Mr R that he needed to use chip and pin for the card to work, and as he couldn't see that this had been done, our investigator wasn't able to ask Creation to take any further action.

Mr R replied and explained he was certain he had used the chip and pin option on the card on two occasions after speaking with Creation. He said that the transactions didn't go through as the machine gave a message along the lines of "transaction not recognised".

Even so, our investigator didn't change his opinion as he had nothing to show that this was the case. As Mr R remained unhappy, his complaint was passed to me for review.

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.

Having looked at everything, I agree with the investigator and will explain why.

I don't dispute that Mr R had a lot of trouble trying to use his credit card. It's definitely not ideal and I can only imagine the frustration and embarrassment this would have caused each time the card was declined.

Creation did explain to Mr R that in order to reset the card, he would need to use the chip and pin facility. This is because once someone uses the contactless facility a number of

times, this option is blocked for security reasons meaning they need to revert to chip and pin instead. Mr R has said he did this on two occasions with two different retailers, however the card was still declined.

Creation has provided a full list of every declined transaction and all of them show that the contactless facility was used. I can't see any entries to show chip and pin was attempted. Mr R also hasn't been able to provide anything to show that this did happen, for example any declined transaction receipts. So, while I don't disbelieve Mr R, I must base my decision on all of the information that has been provided.

The transaction history shows that chip and pin wasn't attempted on the card. Whilst I've thought carefully about what Mr R has told us about how he used the card, I simply don't have enough to be able to safely say that he did try to use the chip and pin function that didn't work.

I understand Mr R has explained that it's likely the chip and pin transactions wouldn't show up on the report sent by Creation, because nothing ever went through and the chip and pin machines showed an error message. But as the contactless transactions didn't go through, but still showed on the report, I think it's most likely that any unsuccessful chip and pin transactions would show too.

So while I do empathise with Mr R's situation, I must base my decision on the information I have. Because of this I won't be asking Creation to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 March 2020.

Danielle Padden
Ombudsman