

The complaint

Mrs C complains about the way that Shop Direct Finance Company Limited has dealt with her account.

What happened

The details of this complaint are well known to both parties and have been set out by the investigator - so I won't repeat them again here. Instead, I'll focus on giving the reasons for my decision.

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 done so, I agree with the conclusions reached by the investigator for these reasons:

- Shop Direct accepts that there have been some issues with the way that it has dealt with Mrs C's account so it said that it would remove four searches from her credit file and it would pay her £20 compensation for the distress and inconvenience that she was caused – and it explained the way that a specified payment arrangement worked;
- Shop Direct then offered to pay Mrs C an additional £30 compensation (so the total compensation would be £50) and the investigator thought that that would be fair and reasonable in the circumstances;
- Mrs C hasn't accepted that offer and has asked for her complaint to be considered by an ombudsman;
- Shop Direct shouldn't have made four of the searches which were then recorded on Mrs C's credit file and it said that it would remove those searches from her credit file which would correctly leave one search showing on her credit file;
- it accepts that Mrs C has been caused distress and inconvenience so it said that it would pay her £20 compensation and then offered to pay her an additional £30 compensation;
- I'm not persuaded that there's enough evidence to show that Shop Direct has applied the specified payment arrangement incorrectly – so I don't consider that it would be fair or reasonable for me to require it to take any action regarding that payment arrangement;
- I consider that it's fair and reasonable for Shop Direct to remove four credit searches from Mrs C's credit file – leaving one credit search correctly showing on her credit file;
- these issues will have caused Mrs C some distress and inconvenience but I consider that compensation totalling £50 is fair and reasonable compensation for that distress and inconvenience; and

- I find that it would be fair and reasonable in these circumstances for Shop Direct to pay to Mrs C the additional £30 compensation that it's offered her for the distress and inconvenience that she's been caused – so that she will have received £50 compensation in total.

Putting things right

Shop Direct has said that it would remove four credit searches from Mrs C 's credit file and that it would pay her £20 compensation. It's offered to pay her an additional £30 compensation and I consider that compensation totalling £50 is fair and reasonable for the distress and inconvenience that Mrs C has been caused. So I find that it would be fair and reasonable for Shop Direct to pay Mrs C the additional £30 compensation that it's offered to pay her – but I'm not persuaded that it would be fair or reasonable for me to require it to take any other action in response to her complaint.

My final decision

My decision is that I uphold Mrs C's complaint in part and I order Shop Direct Finance Company Limited to pay her the additional £30 compensation that it's offered to pay her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 15 September 2020.

Jarrold Hastings
Ombudsman