

The complaint

Mr S complains that he wasn't told in advance of a £99 annual fee being applied to his Creation Financial Services Limited credit card account. He wants it refunded and compensation.

The details of this complaint are well-known to both parties, so I will not repeat them again here. Instead, I will 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:

- Mr S accepts he was aware that this credit card had an annual fee of £99. But he says Creation should've told him in advance that the second annual fee would be taken.
- The terms and conditions of the account say, amongst other things, that the £99 annual fee applies to the account when opened and annually thereafter. It isn't a requirement that Creation give advance notice of applying the fee on each anniversary of the account being opened.
- As the account was still open at the relevant time, I think Creation has acted in line with the terms and conditions of the account by applying the second annual fee to Mr S's account when and how it did. And I don't think I can therefore reasonably require it to now refund the second £99 fee as Mr S would like.
- Mr S has also said he received emails from Creation up to August 2020 which shows the account remained open to use after Creation said the account was closed. But on balance I'm not convinced that is the case.
- Creation has shown, and I accept, that Mr S's account was closed, as requested, on 23 June 2020 and it isn't in use. It's also clarified that, even when closed, limited access to the account remained online, for example, to view previous statements. The email Mr S has supplied from August 2020 appears to be a marketing email and I think that was likely sent because of a delay in Creation's system stopping planned marketing emails after the account was in fact closed.
- If Mr S continues to receive marketing emails or has new evidence that the account remains open, he should contact Creation in the first instance.
- Creation has accepted that its customer service could've been better at times and it says it has offered to pay £50 compensation to Mr S as a gesture of goodwill for this. That seems fair.

- Overall, although I recognise Mr S's strength of feeling, I don't think on balance that I can fairly or reasonably ask Creation to do anything more or differently, including paying any additional compensation.

For these reasons I do not uphold this complaint. I simply leave it to Mr S to decide, if he hasn't done so already, if he now wants to accept Creation's offer to pay him £50 compensation.

My final decision

My final decision is that I do not uphold this complaint about Creation Financial Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 March 2021.

Stephen Cooper
Ombudsman