

The complaint

Ms J complains that Hoist Finance UK Limited sent text messages to her son's mobile phone.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

In late 2013 Hoist acquired a debt in Ms J's name. Hoist sent Ms J a Notice of Assignment setting out the new arrangements. Ms J went on to agree repayments with Hoist.

Ms J's told us she maintained her payments with Hoist and was up to date. But last year, Hoist carried out a tracing exercise and found a mobile phone number it thought belonged to Ms J and sent text messages offering a settlement. Ms J has explained the number Hoist found belongs to her son.

Ms J has explained that her son wasn't aware of the debt she held with Hoist or her financial circumstances. Ms J says the disclosure by Hoist caused a lot of embarrassment and upset within her family when the matter should've remained private. Hoist didn't uphold Ms J's complaint.

An investigator at this service looked at Ms J's complaint and upheld it. They asked Hoist to pay Ms J £200 for the distress and inconvenience caused. Hoist agreed, but Ms J asked to appeal. Ms J said that she was up to date with her payments as agreed with Hoist and that it could've easily written to her with a settlement offer instead of sending a text to an unverified number. Ms J also said she didn't think the £200 settlement offer fairly reflected the level of trouble and upset caused.

As Ms J asked to appeal, her complaint has been passed to me to make a decision. What I've provisionally 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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to ensure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

In response to the investigator, Ms J explained her payments were up to date and made as agreed with Hoist. Ms J queried why Hoist felt it necessary to send text messages to a number it hadn't verified was hers when it could've written to her with a settlement offer instead. I think that's a reasonable point. Especially as the text messages weren't sent because Ms J was behind with payments.

We asked Hoist to supply evidence to show how it traced Ms J's son's number instead of hers but it wasn't able to comply. So we can't now say why the number traced didn't belong to Ms J. But as the text messages were received by Ms J's son, not her, I think it's reasonable to conclude something went wrong. And that led to private information about Ms J's debt with Hoist being shared without her consent.

Ms J's advised that the text messages have caused a lot of upset within her family which has been very embarrassing over an extended period. I don't doubt what Ms J's told us about how upset she's been and the levels of distress and inconvenience caused. I agree with Ms J that she should've been able to expect Hoist to keep its dealings with her private. And I'm satisfied the text messages it sent caused a significant level of distress and inconvenience.

Our investigator recommended that Hoist pay Ms J £200 in respect of the distress and inconvenience caused. But I agree with Ms J that £200 doesn't fairly reflect what happened. In my view a figure of £400 more fairly reflects the impact of the text messages on Ms J and the level of distress and inconvenience caused. Having considered the information I've seen, I intend to uphold the complaint and increase the award from £200 to £400.

I invited both parties to respond with any additional comments or information they wanted me to consider before I made my final decision. Hoist confirmed it was willing to proceed in line with the provisional decision.

Ms J responded and explained her payments with Hoist were up to date and hadn't been missed. Ms J also asked why Hoist had contacted her about a settlement offer despite making all her payments as agreed. Ms J also gave us some further background on how the situation had impacted her and other family members.

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'd like to thank Ms J for providing some further comment concerning the circumstances of her complaint. I'm aware Ms J had made the agreed payments and wasn't behind when Hoist sent the text message about settlement. And, as I set out in my provisional decision, I'm satisfied Hoist acted in error when it used an unverified number it obtained to send the text message.

I also accept what Ms J's told us about the fallout from Hoist's mistake and the difficulties it caused within her family. I agree Hoist shouldn't have used the number to contact her and that doing so caused her an unreasonable level of distress and inconvenience.

I've reviewed the conclusions I reached in my provisional decision in light of the comments Ms J's made. I still think Ms J's complaint should be upheld and that Hoist should pay her a total of £400 for the distress and inconvenience caused, for the same reasons.

My final decision

My decision is that I uphold Ms J's complaint and direct Hoist Finance UK Limited to pay her a total of £400 (less any compensation already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 31 March 2023.

Marco Manente
Ombudsman