

The complaint

Miss C complains that JN Bank UK Ltd did not give her the information she asked for and they provided her with poor customer service.

What happened

Miss C says that she sent JN Bank a secured message asking if she would be charged for settling her account early. She said that she received a response which told her they would never charge her for making extra payments or for settling her loan account early, and they encouraged it as over the term of the loan she would pay less interest and settle her loan quicker. Miss C says that in response to this message she immediately asked for a settlement figure for her account, but she says the amount it said to settle the loan was also the same amount as if she were to keep the loan.

Miss C says that she asked JN Bank for a copy of her account statement under Section 77B of the Consumer Credit Act (CCA) so she could analyse the account. She said while she initially requested this on 1 October 2022, she received two responses and a final response from JN Bank a number of days apart with incorrect information, and none of the documents show the information she requested. She said JN Bank had ignored emails she had sent. Miss C says that had she been provided the information when she asked for it, she could have settled her loan early, which would have given her some relief to the monthly payments she is now making. Miss C made a complaint to JN Bank.

JN Bank told Miss C to find attached to their email the requested information under Section 77B of the CCA 1974. They apologised for any inconvenienced caused and thanked her for her patience during the investigation. Miss C brought her complaint to our service.

Our investigator upheld Miss C's complaint in part. She said while the balance shown by JN Bank was fair and in line with regulation, the information which had been provided was unclear, so JN Bank should pay Miss C with £75 for failing to provide her with clear information to how the figure was calculated. Miss C asked for an ombudsman to review her complaint.

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.

Miss C has made a number of points to this service, and I've considered and read everything she's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of her complaint in deciding what's fair and reasonable here.

I've looked at the information request that Miss C sent JN Bank on 1 October 2022. I'm satisfied she was clear in what she was asking them to provide. I'm also satisfied that she was entitled to ask for this information, and the business should have provided this information as it is set out in her credit agreement that *"Under section 77B of the Consumer Credit Act 1974, you have the right to receive, on request, and free of charge, at any time*

throughout the duration of this agreement, a statement showing (a) details of each instalment owing under this agreement; (b) the date on which each instalment is due, the amount and any conditions relating to the payment of the instalment; and (c) a breakdown of each instalment showing how much comprises (i) capital repayment, (ii) interest payment and (iii) if applicable, any other charges”.

So I can understand Miss C’s frustration when JN Bank sent her information under Section 77A of the CCA instead – and on more than one occasion, which was not the information she was asking for.

When Miss C did receive information under Section 77B of the CCA, it did not include all of the information that she asked for and that she was entitled to receive. Miss C believed there was no reduction in the balance if she paid this earlier than the scheduled loan end date due to the information provided by JN Bank, and she believed the figures were incorrect. I can see the balance shown on the 24 October 2022 statement was £8,412.23. This was the correct figure though as shown on the front page of this statement, Miss C’s original loan which she took out was for £12,000. Her credit agreement shows that the total she would pay over the term was £14,155.20 (if she didn’t make any overpayments).

The statement dated 24 October 2022 shows that from the £12,000 that they loaned her, she had made payments totalling £4,718.40 (although I have calculated this as the total wasn’t displayed on the statement). I could also calculate that from the £4,718.40 paid, if I added all of the principal amount payments (her total monthly payment is part principal and part interest) this came to £3,587.77. So as Miss C had borrowed £12,000 and had paid £3,587.77 off this balance at this point in time, this is why the figure of £8,412.23 was correct (£12,000 - £3,587.77).

The reason Miss C didn’t have a higher figure and a lower figure is because the balance was given on the date of the statement. So this wasn’t higher than the total amount left to pay as if Miss C had settled her loan then, she wouldn’t have future interest to pay by paying off her loan early. But I’m satisfied the figure on the 24 October 2022 statement was correct.

But JN Bank let Miss C down by not giving her all of the information she asked for and they sent her information which she didn’t ask for relating to a different section of the CCA. This inconvenienced Miss C to have to keep contacting JN Bank to keep chasing them up for the correct information she asked for. And even when she received information for the relevant section of the CCA, all of the information wasn’t provided even though the credit agreement stated they would show this.

So because of these factors, I’m satisfied that this would have caused Miss C distress, and she was inconvenienced by having to chase JN Bank for the relevant information. And she felt that her emails were being ignored. I’m satisfied that £75 compensation recognises the impact of JN Bank letting down Miss C and that she had to keep communicating with them when the relevant information should have been sent to her the first time as her request was clear. So it follows I’ll be asking JN Bank to put things right for Miss C.

Putting things right

Our investigator suggested that JN Bank pays Miss C £75 compensation for distress and inconvenience, which I think is reasonable in the circumstances.

My final decision

I uphold this complaint in part. JN Bank UK Ltd should pay Miss C £75 compensation for distress and inconvenience (less anything they have already paid her).

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 1 December 2023.

Gregory Sloanes
Ombudsman