

The complaint

Mrs B complains Sainsbury's Bank Plc failed to provide her with sufficient options to contact them. She's also unhappy with the level of support they've provided when she's been in financial difficulties and persistent debt.

What happened

Mrs B has a credit card account with Sainsbury's and has been in persistent debt for a number of years. Despite Sainsbury's being aware of this, she's complained they've not done enough to support her in repaying her outstanding balance – and this is despite her multiple requests to have interest and charges frozen on her account. She's also complained about the difficulties she's experienced when trying to communicate with Sainsbury's. Despite telling them her mental health prevented her from speaking with them on the phone, they continued to tell her that she had to call them to discuss her account.

Sainsbury's investigated Mrs B's complaint and issued their final response in April 2023. In this, they explained they couldn't see that Mrs B had called them to discuss a repayment plan despite their previous letters asking her to call their customer service team. They explained they were unable to agree a repayment plan by email, and that a bespoke plan could only be set up once they received an income and expenditure form. Sainsbury's were satisfied interest and charges had been fairly applied to Mrs B's account, so they didn't think her complaint should be upheld.

Mrs B remained unhappy with Sainsbury's and brought her complaint to our Service. When Sainsbury's initially provided their file, they maintained their position remained the same regarding Mrs B's complaint. However, they explained they have now put a marker on Mrs B's profile to acknowledge the fact she can't speak with them over the phone. They also said an income and expenditure form would be sent to Mrs B to complete.

Our Investigator felt Mrs B's complaint should be upheld. She explained that in May 2019 Mrs B told Sainsbury's why she couldn't call them. So, she didn't think they treated her fairly by continuing to ask her to call them. For this, our Investigator felt Sainsbury's should pay Mrs B £250.

Our Investigator also felt Sainsbury's hadn't done enough to support Mrs B when she was experiencing financial difficulties. While she acknowledged they froze interest and charges between June and October 2019, our Investigator also felt interest and charges from January to May 2019 should also be refunded as they ought to have known Mrs B needed help.

Sainsbury's agreed to pay the £250 award but didn't agree with refunding the interest and charges our Investigator suggested. As they disagreed with the Investigator, Mrs B's complaint was passed to me for a decision.

I issued my provisional decision on 18 December 2023 and explained I had reached a different outcome to our Investigator. I didn't agree that Sainsbury's should refund the interest charged between January and May 2019, but I did agree they should pay Mrs B

£250 for the distress and inconvenience caused by their mistakes.

Both parties had until 15 January 2024 to send me any further points and/or evidence they wanted me to consider. Sainsbury's accepted my provisional decision, and Mrs B reiterated that she was still waiting for an income and expenditure form from Sainsbury's to help her provide the information they require to determine what she can afford to pay.

Given the responses from Mrs B and Sainsbury's, my decision has remained the same.

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'm upholding this complaint, albeit not in the way Mrs B had hoped. I'll explain my reasoning below.

Communicating with Sainsbury's

Mrs B is unhappy that Sainsbury's kept asking her to call them and failed to give her sufficient alternative options to allow her to communicate with them.

It's for individual businesses to decide which channels of communication they provide. And our Service doesn't have the power to tell a business to change this. However, we do expect businesses, like Sainsbury's, to treat their customers fairly – and do what they can to support customers who may be vulnerable.

In this case, Mrs B has explained that she cannot discuss her account over the phone due to the impact it has on her mental health. And having reviewed the communication notes provided by Sainsbury's, I can see that she first made them aware of this in late May 2019. Yet, despite Mrs B explaining this to various advisers and on multiple occasions, Sainsbury's continued to ask her to call them. This was both in bespoke letters and messages sent via their secure messaging channel – and on some occasions the messaging came across as insistent.

This was very disappointing to see as Mrs B was being incredibly open with them, and she was doing so at a time when she was under stress given the reasons she was reaching out to them in the first place.

Not only was it worrying to see that Sainsbury's continued to ask Mrs B to call them, but I was also surprised to see they only added a note to her profile about being unable to take and make calls when the complaint was referred to our service in mid-2023. It's unacceptable that it took four years and a complaint from Mrs B for this to happen. So, I agree with our Investigator that this is an area where their level of customer service fell short. As such, I've had to consider what is fair and reasonable to resolve this aspect of Mrs B's complaint.

As mentioned above, it's for Sainsbury's to decide which channels of communication they offer. And the evidence they've provided shows that repayments plans can't be arranged via their secure messaging service. So, I don't think Mrs B was treated unfairly when she was unable to set up a plan using that method – and that's because other customers with similar circumstances wouldn't have been able to do that either.

I've seen that one of Sainsbury's advisers was messaging with her at the end of May 2019, and they explained she'd need to communicate with a different department to set up a

repayment plan. And when Mrs B told them why she couldn't speak with that department over the phone, the adviser provided the address she could use to write to them. Given this, I'm satisfied Mrs B was aware, from that point, that the secure messaging service wasn't best placed to deal with her queries regarding financial difficulties and repayment plans.

Despite Mrs B being told the above, I've seen that she continued to raise these types of queries via secure messaging. So, I can't fairly say Sainsbury's are wholly at fault for the frustration and obstacles she experienced when she continued to correspond with them using that channel. So, that is something I've had to take into consideration.

While I consider Mrs B could have approached things differently, I am mindful of the stress and worry she was dealing with at that time. And had Sainsbury's made a note of her vulnerability, their advisers ought to have been better placed to encourage Mrs B to send her queries and information about the repayment plan in the post. But as they didn't, she received misleading and conflicting support from their advisers. Some were more helpful than others and were able to answer some of her queries, others simply told her to call the relevant team. This wasn't helpful for Mrs B, and simply added to what was an already difficult time for her.

I've seen that when Mrs B was provided with Sainsbury's address, she would send them letters. So, I was pleased to see that she was provided with a method of communication that she could utilise.

Given the above, I agree with our Investigator's award of £250. I'm persuaded this fairly reflects the impact on Mrs B as a result of Sainsbury's mistakes. While also acknowledging the fact she continued to use secure messaging despite being told she couldn't discuss repayment plans via that method.

Persistent debt

Mrs B complains Sainsbury's has failed to provide her with sufficient support since she's been in persistent debt. As Mrs B had previously raised a complaint about this matter, my decision can only address what happened regarding this complaint point from January 2019, onwards.

It's not disputed that Mrs B has been in persistent debt for some time. And when a customer is in persistent debt, a financial business, like Sainsburys, is expected to write to their customer after 18 months, 27 months, and 36 months of persistent debt.

Sainsbury's has sent us evidence that suggests they wrote to Mrs B at each of the intervals detailed above. And when doing so, their letters included the information they were obligated to share with her. I've also seen that Mrs B's credit card was suspended after the 36-month mark, in line with industry guidance. And despite the 36-month letter being sent in July 2020, I've also seen that Sainsbury's wrote to Mrs B about her persistent debt in March 2022, September 2022, and March 2023.

Each time Sainsbury's wrote to Mrs B about persistent debt, they encouraged her to call them to discuss her options. And this was the right thing for them to do. However, I've not seen anything to suggest Mrs B did so. I appreciate Mrs B has explained why she was unable to speak with Sainsbury's on the phone. However, she had been given an address she could use to write to Sainsbury's, so I do consider she could have corresponded with them by post to find out what support they could offer for her persistent debt. And as she didn't do that, Sainsbury's wasn't fully given the opportunity to find out and determine the appropriate support for Mrs B's circumstances.

Did Sainsbury's provide the level of support I'd expect?

Mrs B is also unhappy with the level of support she received from Sainsbury's when she was experiencing financial difficulties. Our Investigator felt Sainsbury's should refund the interest and charges applied to Mrs B's account between January and May 2019, however I'm not minded to agree this is a fair resolution to this complaint.

While freezing interest and charges is one way to support a customer experiencing financial difficulties, it isn't the only option available to businesses that provide credit, like Sainsbury's. And more importantly I'd expect a financial business to consider a customer's overall circumstances so that they're better placed to offer support that's appropriate for the individual.

I don't deny that Sainsbury's were aware Mrs B may have been experiencing financial difficulties in January 2019 given the previous complaints she had raised. However, when dealing with her complaint they told Mrs B she could speak with their customer service team so that they could see what could be done to help her. I consider this was appropriate given they didn't know the full extent of Mrs B's financial circumstances, and if she was experiencing difficulties, how long they were estimated to last.

Despite Sainsbury's telling Mrs C she could contact them; I can't see that she did so before the end of March 2023 when she sent a secure message asking for a temporary repayment plan. At that time, Sainsbury's explained a repayment plan couldn't be arranged over secure message and asked Mrs B to call them. But it wasn't until the end of May 2019 that Mrs B explained why she couldn't call Sainsbury's and asked if she could send her income and expenditure by post.

I have to be fair to both parties when deciding how a complaint should be resolved. This means I have to place weight on how long it took Mrs B to respond Sainsbury's offers of discussing ways in which they could support her. And given it wasn't until the end of May 2019 that Sainsbury's was told why Mrs B couldn't call them, there wasn't much more they could do to identify what support Mrs B required – and how long for. It's for that reason I don't consider it would be fair or reasonable in this case to ask Sainsbury's to refund the interest and charges applied to Mrs B account between January and May 2019.

I know this isn't quite the outcome Mrs B hoped for. However, for the reasons above, I'm upholding Mrs B's complaint, in part.

My final decision

My final decision is that I'm upholding Mrs B's complaint about Sainsbury's Bank Plc.

To put things right, Sainsbury's should pay Mrs B £250 in recognition of the distress and inconvenience she experienced as a result of their mistakes.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 12 February 2024.

Sarrah Turay
Ombudsman