

The complaint

Miss I complains that Harvey & Thompson Limited, trading as H&T Pawnbrokers, damaged a pawned bracelet while it was in H&T's possession.

What happened

In August 2023 Miss I entered into a regulated fixed sum loan agreement with H&T, to borrow £600. As security for the loan she gave H&T a bracelet (and some other jewellery) in pledge. (She had previously pawned it in May, and had pawned it again in August.) She redeemed the bracelet in September 2023. Three days later, she noticed that one of the jewels that had been in the bracelet was missing. She complained to H&T that it must have damaged the bracelet. She said the bracelet was of great sentimental value.

H&T did not accept that it was responsible for that damage. It said it had CCTV footage showing that she had not checked the bracelet when she collected it (this footage is no longer available). It said that as Miss I had not noticed the missing jewel for five days, the damage had probably occurred during that period. Being dissatisfied with H&T's response, Miss I brought this complaint to our service in November 2023.

H&T told us that it had offered her £200 in full and final settlement of her complaint, which she had accepted in December 2023. It argued that this was more than fair, since the whole bracelet had only been worth £300 or £400, only one of seven jewels was missing (and the chain had value too), and the damage had occurred after Miss I had redeemed the bracelet.

Miss I told us that the bracelet had been worth £500 before it was damaged. She asked for a total of £700 compensation (that is, another £500 on top of the £200 already paid) for the damage and for all the stress she had been charged.

Our investigator did not uphold this complaint. She said there was no evidence that the jewel was missing when the bracelet was collected, or of when it became detached. So she decided that there was not enough evidence that H&T was liable for the damage. But she added that H&T's payment of £200 had been fair, taking into account the total value of the bracelet and that only one jewel was missing, out of seven. £200 was more than half of the original value of the bracelet.

Miss I did not accept that decision. She said that the bracelet had been worth more than H&T had valued it at. She said she had only accepted the £200 because our service had failed to support her. She still wanted another £500. She questioned why H&T had deleted the CCTV footage if it had relied on it when it wrote its final response letter in November 2023. She asked for an ombudsman to review her case.

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 have seen photos of the bracelet from before and after it was damaged. The jewels are very small, so I think it is very unlikely that the CCTV footage would have shown whether or not one of the jewels was missing when the bracelet was redeemed. The only real significance of the CCTV (and the only thing H&T said about it) is that it would have shown whether Miss I checked the bracelet before she left the branch. But it does not appear to be in dispute that she did not check it at that time. So I don't think she has been prejudiced in her case by the CCTV evidence no longer being available. I don't think it would have proved anything which would have assisted me.

There is no evidence about when the bracelet was damaged, and so I am unable to fairly conclude that the damage was H&T's fault. It could have happened after Miss I left the branch. For that reason, I do not uphold this complaint.

(I therefore do not need to go on to assess the fairness of the £200 which was paid, or the reasons why Miss I accepted that and later changed her mind.)

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 25 September 2024. But apart from that, this final decision brings to an end our service's involvement in this complaint.

Richard Wood
Ombudsman