

The complaint

Mr Y complained to Advanced Payment Solutions Limited, trading as Cashplus Bank (Cashplus), that he was unable to use his credit card due to issues with the card and/or pin.

What happened

Mr Y has a credit card account with Cashplus. In April 2023, Mr Y complained that he'd been unable to use the card, and his PIN wouldn't work. He was sent a new card and PIN, but the problems continued. In Cashplus's final response (FRL), they said they had identified an issue with the original card not being activated, and said that a fix would be put in place to enable Mr Y to use the card in the coming days. They said he should contact Cashplus if the issues persisted, and they offered him £25 for any inconvenience caused.

Mr Y said that following Cashplus's response, the issue had still not been resolved. So, he contacted them as suggested in their FRL, but the card number he provided wasn't recognised. Further attempts were made to resolve the issue, with new cards and PINs being sent, but the problems still remained. So, Mr Y brought his complaint to our service. He said he thought Cashplus should open a new card account for him with the same features and limits as the last, and increase their offer of compensation.

An investigator considered the complaint and thought it should be upheld, and said that Cashplus should open Mr Y a new account, with matching features and limits to the old one, and provide him with a new card and PIN. She also said they should increase their offer of compensation. Both parties agreed to this, and Mr Y later confirmed he received the new card and that the account was working as it should.

The investigator, when issuing her opinion, also said that Mr Y had been put to a considerable level of inconvenience, so she recommended that Cashplus increase the compensation it offered Mr Y as well. However, following this, some confusion arose in relation to the amount due.

Within the body of the investigator's opinion, she initially said that Cashplus should pay Mr Y a further £150 compensation, in addition to the £25 offered. However, under the section titled '*the outcome*', she noted the compensation as £200, rather than £150, in error.

The investigator corrected herself, and informed both parties that the final outcome section in her opinion should have stated £150, and she apologised for the mistake. Cashplus accepted these findings in full. Mr Y however, said that he had interpreted her opinion as meaning that he would receive the original £25; the £150 mentioned in the body of the view; plus, a further £200 as noted in the outcome section.

The investigator explained to Mr Y that while there was a written error in her opinion, it did not state that all three sums were due. But Mr Y remained unhappy, and said that he would not take responsibility for the investigator's mistake. So, the case was passed to me to decide.

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.

The overarching issue that prompted Mr Y's complaint, and ultimately was the catalyst for compensation being awarded, was Mr Y's inability to use his Cashplus credit card, due to what seem to be underlying technical issues at Cashplus's end. Cashplus have now accepted responsibility for this, and to resolve the matter, have set up a new card account for Mr Y, and issued him with a new card and PIN. Mr Y has confirmed that this card is now working as it should. So as the issue with accessing his card no longer remains in dispute, I won't look any further into this element of Mr Y's complaint. But, for the sake of clarity, I can confirm that I'm satisfied the proposed resolution to fix the issue was a fair one. So, all that remains in dispute, is the level of compensation being awarded.

The investigator that handled the complaint initially, felt that Cashplus's initial offer of £25 compensation didn't go far enough to compensate Mr Y for the inconvenience this matter would've caused him. And she recommended Cashplus pay Mr Y a further £150 in addition to the £25 already offered. However, and as previously mentioned, a typing error meant that while she had quoted an additional £150 in the body of her opinion, in the summary box that set out the outcome, she referred to an amount of £200 in error. Mr Y has argued that her error is not his responsibility and that he should therefore receive the original £25, plus £150, and a further £200 as a result. But I don't see things the same way.

While there was an error in the way in which the view was drafted (and I'm sorry that this error occurred), the investigator explained soon after that they intended to write £150 within the outcome section of the view. Equally, I'm struggling to understand how Mr Y came to the conclusion that both the £150 and the £200 figures were warranted, when neither part of the view referred to two additional sums being awarded. And I think it's also clear, that if this was the investigator's intention, she would have simply awarded a further £350, rather than a further £150, then another £200. And the fact there was an error in the view, does not mean Mr Y is entitled to receive the additional sums mentioned.

Looking now at the inconvenience Mr Y was caused, I can see that the issues he experienced lasted for the best part of a year. And I appreciate this must have been very frustrating for him. But, equally, I need to balance this with the fact that it seems Mr Y did have access to other accounts, as he was making regular monthly payments to the credit card prior to the issues occurring. And also, from the volume of spending on the card prior to the issues he experienced, the card wasn't being used for large sums of money, so I think it likely that Mr Y had other ways in which he could access funds. I think there also comes a point at which Mr Y could have intervened to try and mitigate the inconvenience he was caused, possibly by looking at taking out a further card with another provider.

So, while I appreciate the issues with the card would have been inconvenient for Mr Y; and I agree that additional compensation is due, on balance, I'm satisfied that the additional £150 the investigator recommended is a fair sum in the circumstances. So, for that reason, I won't be awarding anything further.

My final decision

My final decision is that I uphold Mr Y's complaint.

Advanced Payment Solutions Limited, trading as Cashplus Bank, should pay Mr Y an additional £150 compensation in addition to the £25 they initially agreed to, if not already paid. To be clear, the total compensation due to Mr Y is £175.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 19 April 2024.

Brad McIlquham
Ombudsman