

## **The complaint**

Mr H complains about the actions of Valour Finance Limited, trading as Savvy.co.uk ("Savvy") in relation to a debt he has with them. He says they have been unreasonable and have harassed him.

## **What happened**

Mr H took out a loan with Savvy in September 2023 and within a few days he applied to top up the loan. He missed the first payment and has missed other payments since.

In November 2023 Savvy sent him a letter in which they said they were investigating whether he had provided fraudulent information during and after his finance application. They threatened to prosecute him in the event that their investigations uncovered such information.

Savvy sent several text messages to Mr H after that in which they advised him of arrears on his account.

Mr H raised a complaint with them and after he escalated the complaint to this Service Savvy made offers to resolve it. They offered to honour a £50 write off of the balance and to provide a further write off of £700, and in a further letter they offered again to honour a £50 write off and to apply a further reduction of £800. They subsequently withdrew these offers.

Our investigator thought that was unfair and he suggested they should write off £750 from the loan less the £50 they had already paid.

Savvy didn't agree so the complaint has been referred to me, an ombudsman, to make a decision.

## **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.

Savvy haven't communicated well here, and I think they have been unreasonable. I'd agree with the investigator's opinion. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I think Savvy's letter of 23 November 2023 was harassing in the circumstances. They've explained that the letter was sent in error, and I can understand it would have been very

distressing for Mr H to have been told he was under investigation and that he may be prosecuted and given a prison sentence. They didn't get back to him with the results of the investigation they said they were conducting, nor did they explain the nature of the fraudulent information he may have supplied.

I don't think the same applies to the text messages Mr H received as I think they were legitimate attempts to remind Mr H of arrears on his account. I don't think they were misleading or harassing.

Having offered to settle the dispute with Mr H and having received email acceptance of that offer, I don't think they were fair to withdraw the offer without good reason. They had suggested Mr H had provided false statements, but I don't think there's evidence he did and I think that allegation would have caused further distress to Mr H.

In all the circumstances, I think their original offer to, in essence, write off the interest on this loan of £750, was a fair one given the distress and inconvenience their actions have caused Mr H. They've already written off £50 so I'm asking them to write off a further £700.

### **My final decision**

For the reasons I've given above, I uphold this complaint and tell Valour Finance Limited to write off a total of £750 from the balance due on this loan (less £50 if they've already deducted that).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 6 September 2024.

Phillip McMahon  
**Ombudsman**