

The complaint

Mr S complains Caxton Payments Limited failed to ensure a replacement prepaid travel card was delivered to him.

What happened

The circumstances that led to the complaint are well known by both parties, so I won't repeat them in detail, but in summary:

Mr S explained he was due to travel abroad in June 2024 and noticed his Caxton travel card had expired so he contacted Caxton. Caxton explained it had sent Mr S a replacement card in September 2023. Mr S explained he had not received this card, so Caxton agreed to issue a new '*emergency*' card to Mr S explaining the card sent in September may have been lost in the post.

Mr S said he suggested he could collect the new card from Caxton's London office at his expense, but Caxton told him this was not possible. Mr S explained he received an email from Caxton containing the tracking number for the card and confirming it had sent it out. Mr S said he waited for two days, but the card did not arrive.

The next day the card had still not arrived, so Mr S contacted Caxton by telephone. Mr S explained Caxton could not tell him where either of the cards were sent. He also said Caxton had no system for tracking the cards or to check whether the card had been activated by the customer.

Mr S explained he had to travel without the benefit of his Caxton card. He explained he was unable to access over £300 he had in his Caxton account and had to use an alternative payment method whilst abroad.

Mr S complains:

- It was Caxton's responsibility to ensure the cards were delivered, Mr S has cited this is the accepted position in English law.
- Caxton has no checks or balances in place to ensure cards are activated.
- Caxton's communication with Mr S were unprofessional.
- Mr S did not receive an email as per Caxton's terms and conditions when it sent him out his replacement card in September 2023.
- Caxton would not allow Mr S to pick up his emergency card from its head office in London or deliver it by courier.

Mr S explained he wanted Caxton to compensate him £100 for the additional transaction fees and an amount to cover the time he had spent trying to resolve the issues.

Caxton wrote a final response letter to Mr S upholding his complaint because of the inconvenience caused. Caxton also offered £25 as a goodwill gesture. Caxton explained it did not send replacement cards out via tracked packages but sent cards by first class post direct from the card manufacturer. Caxton explained this is what most high street banks do.

Caxton explained it had sent out the emergency card on 10 June, which it expected to be delivered by Tuesday 11 June. Caxton explained the delivery failed and the card was returned to it by the third party responsible for delivering the card.

Our investigator did not think it was reasonable to hold Caxton responsible for the delivery of the cards, stating the delivery of the card, once it had entered the postal system, was outside of Caxton's control. They were satisfied Caxton had acted fairly and did what it could to provide Mr S with a new card.

Mr S disagreed with our investigator's recommendation, explaining he understood Caxton was ultimately responsible for the delivery in law.

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 appreciate how strongly Mr S feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

I also appreciate Mr S has made a series of representations in his response to our investigators view. I have carefully considered these comments when reaching my final decision and have made reference to them where I believe it is necessary.

Having read Mr S's comments, I think it is important to explain in more detail how our service makes decisions and our role from the outset.

Our service is impartial, it does not act as a consumer champion but seeks to make fair and reasonable decisions based on the facts and evidence of each case. Our service does not automatically apportion liability based on omissions or otherwise but considers what is reasonable in the circumstances and what is likely to have happened on the balance of probabilities. We are an informal dispute resolution service and do not replace the courts system, which have wider powers and jurisdiction. Our service seeks to resolve complaints fairly for all parties, the option of court action remains open if Mr S does not accept my decision.

To summarise, Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

I also think it is important to distil down and outline here what Mr S's complaint is; Mr S didn't receive two bank cards Caxton sent him, which led Mr S to further complain about the process, and checks and balances Caxton has to ensure cards are delivered and activated.

I shall firstly deal with the issue which led to Mr S's complaint, that the cards did not arrive at the registered address. Caxton explained its records show it sent out both cards. I have examined the evidence provided regarding this and I consider it sufficient to reasonably conclude Caxton sent both cards to the address Mr S has confirmed. It is clear both cards are shown on Caxton's systems and there is further evidence to show they were sent out. The most recent '*emergency*' card shows a series of postal tracking updates, which ultimately resulted in it being returned to Caxton.

I appreciate it isn't clear why this happened and ultimately why the delivery failed, but the issue for me to determine is whether I think Caxton are at fault here or has acted unreasonable or unfairly.

The evidence strongly indicates the third party did make an attempt to deliver the card but was unable to. Such postal services are not regulated activities, and as such our powers are limited. I therefore do not think it is reasonable to examine this further in more detail, as I am

persuaded the card was sent out appropriately by Caxton. As the card was not in Caxton's control at the time, but in the hands of a third party, I do not think it is reasonable or fair to hold Caxton responsible for this failed delivery.

Caxton, along with numerous other financial service providers, send out thousands of cards each week by post. I appreciate from his submission, Mr S will disagree, but I do not think it is reasonable or fair to hold Caxton responsible for the non-delivery of the cards. Posting out cards to customer as Caxton did is not an unusual practise and as such it is difficult to reasonably find fault with Caxton for doing so.

I now move on to the second part of Mr S's complaint, which is regarding the service and processes Caxton provides. In summary, Mr S is concerned about how Caxton sends and tracks packages, suggesting Caxton's processes are not suitable secure, and how it monitors activation of cards. He was also dissatisfied he was unable to collect the card or that Caxton refused his request for a courier.

These appear to be complaints about the processes Caxton has agreed and implemented, and not about an error or mistake. For example, I can see Caxton said it would not be able to courier the card to Mr S when he called them on 13 June, explaining clearly this was not something Caxton were able to do.

These processes and services are commercial decisions which businesses are entitled to make based on a variety of aspects, including risk and cost. It is therefore not something our service would decide on. I am satisfied such matters are beyond our remit and any decision could undermine commercial decisions Caxton is entitled to make. In essence, it could be perceived as an attempt to exercise control over legitimate commercial decisions of businesses.

I understand Mr S has complained about the professionalism of Caxton staff he has spoken to and dealt with. Mr S has not provided specifics regarding this or pointed out a conversation or comment he is unhappy with. Therefore, I have kept in mind this complaint thread throughout my examination of the evidence.

I can see Caxton responded to Mr S complaint in reasonable time and in the form our service would expect. The the emails Mr S sent, provided by Caxton to our service, were also responded to in good time, with sufficient information to understand and communicate necessary information and details related to his ongoing complaint. I also listened to the call from 13 June.

In terms of the tone and language used by Caxton, I have not established any evidence which I think meets the threshold of 'unprofessional'. As I have not seen evidence which reasonably or fairly corroborates this part of Mr S's complaint, I do not uphold it.

I now move on to the issues regarding the email when his first replacement card was issued, which Caxton's terms and conditions suggest should have been sent.

I can see our investigator asked specific questions regarding this process during his investigation. Caxton confirmed it does send an automated email every time a card is auto-renewed, in line with the terms and conditions Mr S has cited. However, Caxton has provided a log of when and how the replacement card was ordered on 20 September 2023. The card was ordered by a named Caxton employee, not by the auto-renew process.

Caxton said in circumstances such as this the new card may have been requested by the customer. Caxton further explained it had searched its records but couldn't find a record of a call or email from Mr S's current email address which would have accounted for why this process was done manually. Caxton confirmed such manual requests do not generate automatic emails; however, Caxton said it wasn't able to rule out whether the named employee sent Mr S an email directly.

The logs provided do show that both the named employee and Mr S were logged into his account at the same time on the afternoon of 20 September. Both Mr S and the employee were logged in for around 10 minutes at the same time, with the card being ordered towards the end of these logins by the named employee. Whilst I accept there is a possibility this could have been a coincidence, I think it is more likely Mr S had some contact with Caxton and a new card was ordered during this contact.

I do understand Mr S has not mentioned this and I appreciate he may well dispute this, but I am satisfied this is a reasonable and fair conclusion on balance, based on the login evidence I have seen. Having considered all the circumstances and evidence for this aspect of Mr S's complaint, I do not uphold it.

Finally, I understand Mr S may feel the compensation offered is too low, Caxton offered a £25 goodwill payment for the inconvenience he suffered. As I have not found Caxton has done anything wrong, I will not be upholding this complaint and therefore do not require Caxton to pay compensation.

My final decision

For the reasons I have given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 January 2025.

Gareth Jones
Ombudsman