

## The complaint

Mr S has complained about the service received off the back of purchasing goods using his Frasers Group Financial Services Limited ("FGFS") credit agreement.

## What happened

The circumstances of the complaint are well known so I'm not going to repeat everything here. But, to summarise, Mr S had a credit agreement with FGFS that he used to buy goods from a retailer I'll call "S". Mr S complained about the support he received off the back of billing enquiries on his account. He's also unhappy with information recorded on his credit file. I wrote a side letter to the parties saying:

*I understand FGFS said it used to be the lender and supplier up until mid-2023 when [S] separated from it.*

*Mr S said he had returns that he was unable to locate. Mr S highlighted some of these were in 2023.*

*I can see Mr S reached out for help. He said he'd sent his complaint by email and post dozens of times. He said he received a response from FGFS saying he needed to speak to [S]. He said when he spoke to [S] it told him it couldn't access the old system and so it passed him back to FGFS. He said he was going around in circles.*

*FGFS sent a final response in October 2024 acknowledging Mr S reached out for help in April 2024. It said due to the separation of the firms it couldn't investigate retail disputes. But as a gesture of goodwill it had applied a goods credit note of around £150 in relation to goods listed as returned. And it also arranged a credit note of around £276.07 in relation to a missed order [and a £25 credit in relation to a receipt in May 2023]. It also credited interest totalling around £113.71 and removed a default sum of £12.*

*Our investigator thought FGFS should have got to grips with things sooner. And she didn't think it had recorded a default fairly. So she recommended it pay £100 and remove the default.*

*FGFS didn't agree because it said it thought it had done enough and the default was valid.*

*Having looked through what's happened, there's a lack of evidence about the returns. But I think part of this might have been down to FGFS and [S] separating and the different systems used. But that wasn't Mr S's fault. I think FGFS has tried to take a pragmatic view and has given Mr S the benefit of the doubt and made adjustments to his account. That seems fair.*

*But I think it's also clear the situation took longer to resolve than it should have done. While I appreciate FGFS can't be held responsible for everything that went wrong with [S], the situation here seemed to span several months, some of which were around the time and possibly before the separation of the firms. And in any event, while FGFS may not be able to deal with retail issues there are things I think it could have helped Mr S with. If he had issues*

*with paying the credit agreement FGFS would be responsible for treating him with forbearance and due consideration. If Mr S had a billing enquiry FGFS would again be required to treat him fairly. If Mr S was unhappy with interest or charges on the account or information on his credit file FGFS would be required to deal with the query.*

*I think FGFS could have done more to help Mr S resolve matters sooner. It took a few months for it to send a final response letter, even though Mr S had expressed dissatisfaction at least in April 2024. Part of that dissatisfaction related to a billing enquiry that FGFS could have done more to answer, even if it ultimately thought it hadn't acted unfairly. While I appreciate it may not have had all the information to hand, taking a step back and looking at things holistically, I think it could have done more to at least been more informative or helpful given Mr S had been passed back and forth between the two firms.*

*Given I've got no way of knowing whether the refunds were due, or should be considered as compensation, I think the investigator's recommendation of £100 seems broadly fair, when taking into account I need to resolve complaints quickly and with minimum formality. So I'm intending to reach the same conclusion.*

*However, with regards to the credit file, even if the balance was wrong (which hasn't been proved as a fact), I'm conscious Mr S entered into a debt management plan for £5 a month payments. Even if FGFS didn't send arrears information to him, I think a plan with token payments can fairly be recorded as having defaulted, because that is a fair reflection of what's happened [given Mr S owed a few hundred pounds towards the debt]. The relationship for repayment has ultimately broken down and defaulted. So in the circumstances, I'm minded to simply say FGFS only needs to pay Mr S £100 to resolve the complaint.*

Mr S and FGFS accepted the proposed outcome.

### **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.

Seeing as though both parties have accepted, I see no reason to depart from the provisional conclusions I reached in my side letter.

### **My final decision**

My final decision is that I uphold this complaint and direct Frasers Group Financial Services Limited to pay Mr S £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 July 2025.

Simon Wingfield  
**Ombudsman**