

The complaint

Mrs D complains about how Frasers Group Financial Services Limited trading as Frasers Plus ('FP') handled her request for a refund.

What happened

Mrs D has a running catalogue credit account with FP. On 20 December 2024, Mrs D contacted FP about a refund due from a retailer about an order (the 'purchase') totalling £917.99 made on 22 September 2024. This purchase was originally set to be repaid over a 36-months with monthly repayments totalling £40.23. The refund of £917.99 was applied to Mrs D's October 2024 bill along with a separate refund of £280.99.

In December 2024, Mrs D raised concerns about her bill for this month totalling £341.64 which was due to be paid on 7 January 2025. She didn't believe she'd received the refund of £917.99 but FP confirmed this had been applied to her account on 2 October 2024. When FP rejected Mrs D's complaint, she referred matters to our Service. Our investigator considered FP hadn't acted incorrectly and didn't recommend upholding the complaint. Mrs D asked for an ombudsman to review this matter. I issued a provisional decision explaining why I wasn't intending to uphold this complaint. Mrs D responded reiterating that she didn't think she owed the money FP was claiming. So, the matter has been passed back to me to finalise.

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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service. I've reviewed all the further submissions made by Mrs D in response to my provisional decision, but I can't see that she's added anything substantially new to what she's previously said. So, my decision remains the same as that set out in my provisional decision which, in summary, is as follows:

- In respect of refunds, FP's terms and conditions say: *"If, after the Closing Date but on or before your next Monthly Repayment Day, you receive a refund in respect of a Purchase or you change a Repayment Plan, then the Total Monthly Repayment due will change accordingly and we will tell you what the new Total Monthly Repayment is..."*. In respect of any repayments made the terms say: *"We will apply your Total Monthly Repayment first to pay any arrears and late repayment fees that you owe us."*
- Mrs D's dispute began because she didn't believe she had received the refund of £917.99 related to the purchase made on 22 September 2024. However, I can see from her statements that this was refunded to her account on 2 October 2024. It was included in the figure of £1,198.98 which were for two refunds of £280.99 and £917.99.
- So, perhaps the confusion for Mrs D was that she couldn't actually see this amount (£917.99) being refunded to her account. Rather she saw the total refund figure of

£1,198.98 (£917.99 plus £280.99). But even if I accept FP could've made this clearer to Mrs D (i.e. that the £917.99 was part of the total refund applied to her account in October 2024), I can see its agents did clarify with Mrs D that this refund had, in fact, been applied to her account.

- I also see the refund of £917.99 and other refunds meant Mrs D's bills for October and November 2024 were fully covered. And the December 2024 bill included a carry forward figure from the October refunds of just over £688. So, whilst Mrs D's bill for December 2024 was due to be just over £1,120, she was only required to pay £341.64 – this figure took into account the carried over figure as well as a refund related to another purchase of £91. I consider FP has given Mrs D clear, fair and not misleading information about her bills and what is owed.
- Although Mrs D was refunded for the purchase, this didn't impact on her monthly repayment plan which was set to 36 monthly instalments of just over £40. Mrs D did re-plan the monthly instalments related to the purchase. But because she didn't do so until December 2024, this meant she'd already made three repayments under the original repayment (instalment) plan. In my view, the terms and conditions as I've set them out above, clearly say how the refunds will apply and from what I can see FP has acted correctly in this regard.
- I should note here that Mrs D has had similar queries with FP about other refunds. And in my view, she had been consistently provided with reasonably clear information by FP and its agents about how refunds are applied to her account and about what steps she could take to re-plan the original repayment plan to accommodate any refund.
- Mrs D's account fell into arrears because the December 2024 bill wasn't fully paid – the carried over figure wasn't sufficient to cover the full amount so when Mrs D didn't pay what was requested, her account fell into arrears. I note FP has since also refunded two interest charges in May 2025 totalling £215.19, which I understand was done because of the arrears – FP says it refunds interest payments when a customer is in arrears as this could be a sign that they (the customer) are experiencing financial difficulties. But this still hasn't been enough to cover the arrears.
- I know Mrs D still disputes she owes anything to FP, but I remain satisfied FP has provided clear, fair and not misleading information to Mrs D about her account and what remains outstanding. And I don't think she's provided persuasive evidence to show she has paid the requested sums owed, particularly those repayments needed to cover her December 2024 bill. So, as the account remains in arrears, I don't consider FP has acted unfairly in terms of reporting the missed payments (arrears) to the relevant credit reference agencies as it's under an obligation to report accurate information to these agencies.
- I note Mrs D wanted a copy of all of her bills dating back to December 2023. But FP has explained that it can only provide these dating back to March 2024. It has, however, provided Mrs D with a detailed breakdown of the activity on her account since December 2023, including: the monthly orders (total monthly costs); the interest added; refunds applied; and payments. Overall, I think FP has acted fairly and reasonably in respect of dealing with Mrs D's request for information about the activities on her account.
- I've noted all the submissions Mrs D has made about FP's customer service. For example, she says that its phone number wasn't easy to find and she's unhappy with the way FP's agents handled her requests for information. But I see FP provided Mrs D with

a phone number on 17 January 2025 when she requested this. And, in my view, FP and its agents have consistently provided Mrs D with clear, fair and not misleading information about her account including how refunds are applied and what steps she can take to re-plan her monthly repayments. All in all, I can't fairly or reasonably conclude that FP has failed to provide Mrs D with an adequate level of customer service.

For all these reasons, and whilst I understand this will remain a disappointing outcome for Mrs D, I'm not upholding her complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 30 December 2025.

Yolande Mcleod
Ombudsman