

## **The complaint**

Miss R makes several complaints about the way Frasers Group Financial Services Limited ('FG') handled her credit account.

## **What happened**

The details of this complaint are well-known to both parties, so I won't repeat them again here.

I issued my initial findings in this case after speaking with both Miss R and FG. I said I was intending to award Miss R £200 in compensation, but I didn't think FG needed to amend her credit file as I considered this was an accurate reflection of what had happened. Miss R disagreed with my initial findings making several points including that: she still believed FG had told her there was a duplicate charge on her account; the re-planning she was advised to make made things worse not better; FG didn't provide her with the breakdowns she requested; she considers the default on her account could've been avoided; she was waiting for clarity and the outcome of this complaint before making a payment; she reiterated FG didn't make the requested reasonable adjustments in terms of its communications to her; and as well as compensation she considers FG should amend her credit file.

FG had previously offered Miss R £50 in compensation but maintained it considered it didn't need to take any further steps to put things right. However, in order to settle matters FG agreed to pay the £200 recommended in my initial findings. As no agreement could be reached 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.

Having reconsidered everything I'm still of the view that whilst I think FG should pay Miss R £200 in compensation for some customer service failings, I don't think it has to take any further steps to put matters right. I want to reassure both parties that I've fully reconsidered everything. If I don't refer to something, it isn't because I've not considered it. This just reflects my informal remit.

Miss R had a running credit account with FG through which she could make purchases from a number of retailers. Between April and May 2023 Miss R made a number of purchases leading up to the disputed bill of June 2023 (due to be paid in July 2023). Under the terms of the account if there was a refund received for any purchase, it would reduce the overall balance in the month received, but any repayment plan that had already been set up for any particular purchase would remain in place.

So, when Miss R set up a three month instalment plan for the purchase made on 27 April 2023 (the '27 April purchase') the only way this would change was if she re-planned it into a single installment within the same month she was refunded. Miss R was refunded in May 2023 which reduced her bill for that month by £260.99. Miss R doesn't dispute this. But in

June 2023 when she received her bill for this month, Miss R could still see she was being charged for the 27 April purchase – this was because she hadn't changed the instalment plan. So, I think the June 2023 bill was correct. However, by this time (June 2023) Miss R's charge for the 27 April purchase had reduced to £174 because she had already made a payment in May 2023 for the first instalment.

Although Miss R had received the refund in May 2023, one of FG's agents told her via the in-app chat in June 2023 that if she wanted the 27 April purchase to no longer be a three month instalment plan she would have to re-plan the purchase. Miss R re-planned the 27 April purchase but contacted FG again and said this had made matters worse as it had increased her monthly payment. This was because she had re-planned the 27 April purchase to one single payment and by doing so her June 2023 bill had increased. It should be borne in mind that she'd already had the benefit of the refund in May 2023 where her bill was £260.99 less than it otherwise would've been.

I think the agent Miss R initially spoke to via the in-app chat could've explained the impact of re-planning better to her. It appears that Miss R also re-planned another purchase and from what she's told me she didn't really mean to do this. Fundamentally, as this was a new account to Miss R, I consider she perhaps misunderstood how refunds and re-planning worked. I also think it could've been made clearer that the remaining amount for the 27 April purchase was, in fact, £174 because a payment of £86.99 had already been made against the 27 April purchase of £260.99.

Because Miss R was disputing the amounts she was being asked to pay for her June 2023 bill, she asked to speak with someone from FG by phone. She was called by an FG agent on 6 and 7 July 2023. I think a call was important as Miss R had explained to various agents that she had a disability and was finding the information she was being provided with difficult to understand. I can hear the agent who spoke with Miss R by phone did offer to go through the refunds, purchases and charges over the phone, but Miss R declined this offer. The agent instead sent a detailed breakdown to Miss R following this call on the same day.

Miss R asked FG for this information to be put in an excel spreadsheet. I explained to Miss R why I didn't think FG providing this in the format they did was unreasonable. In essence, I can't see an excel spreadsheet would've increased her understanding of what she was being charged (and why). As I explained, I think, fundamentally it was the way the account operated in terms of refunds and re-planning that was causing Miss R issues. As noted above I can hear the agent who called Miss R did offer to explain things if there was still a misunderstanding which I think was fair.

Miss R considers FG is at fault for the account entering into arrears. This was because for the June 2023 bill she was meant to pay £684.33. Because Miss R didn't agree with this figure (charge) she made a payment of £210.66 which she says is what she believed she owed for that month. As I explained to Miss R because her payments weren't sufficient to cover the June 2023 bill, any amounts she paid subsequent to this mostly went towards the arrears which was in line with the terms of the account. As I also said, I think by this point, FG had provided sufficiently clear information (or offered to do so), explaining the amounts due including a breakdown of the payments, refunds and charges.

Miss R's account defaulted in September 2023 with an outstanding balance of £292.68. I take on board what Miss R says about not being provided with a breakdown of where this figure came from. But from what I can see she was being given correct information about what (and why) she was being charged the amounts in her statements. FG agents provided her with several breakdowns, and its agent did offer to go over things over the phone if there was still a misunderstanding. Based on everything I've seen (and heard) I can't reasonably

or fairly say that Miss R was given incorrect figures about the charges which applied to her account and what payments were due in any given month.

Miss R said there was a duplicate charge in respect of the 27 April 2023 purchase which she says was confirmed by an FG agent. But even if one agent made a mistake about this, from what I can see, at the very latest, Miss R was given clear, fair and not misleading information about the charges/refunds/purchases by no later than 7 July 2023. It was only after this point that her account fell into arrears which ultimately led to the account defaulting.

Following my initial findings, Miss R provided further submissions which I've summarised above. However, I can't see she's added anything substantially new to what I had already considered prior to my initial findings. For completeness, I'll add that I know this matter has taken some time to resolve, but I can see that even after our investigator issued their initial views, Miss R still disputed the amounts being charged maintaining FG had made a duplicate charge. So, I don't have persuasive evidence that the payments being requested by FG would've been paid on time as Miss R was still saying the charges were incorrect. I also don't have persuasive evidence to show a duplicate charge was applied to Miss R's account and from all the communications I've seen, she was consistently told by FG's agents that her statements were correct.

As I said in my initial findings, I think FG should pay Miss R £200 for delays in calling her back and I think it could've explained the impact of the re-planning more clearly to Miss R. I've noted all that Miss R has said about having to repeat herself in terms of the adjustments she requested. But when she spoke to the agent on 7 July 2023, she clearly said she didn't want FG to record information about her disability. And as I said above, the agent did offer to go over the charges by phone. I think FG has acted fairly in this regard.

For all these reasons, I still consider £200 fairly and reasonably reflects any customer service failings by FG in this case. I appreciate this will remain a disappointing outcome for Miss R.

### **My final decision**

My final decision is that I partially uphold this complaint. I order Frasers Group Financial Services Limited to pay Miss R £200 for the distress and inconvenience caused. Frasers Group Financial Services Limited can deduct anything it has already paid in respect of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 25 February 2026.

Yolande Mcleod  
**Ombudsman**