

complaint

Mr C complains about the charges Creation Financial Services Limited has added to his credit card account, as well as about its overall treatment of him.

our initial conclusions

Our adjudicator initially didn't uphold the complaint. He thought Creation had done enough to help when Mr C told it he was in financial difficulty. Creation later told us it accepted it hadn't dealt with Mr C appropriately given his circumstances. It offered to recall Mr C's account from debt collection agents, refund all interest and charges, stop future charges, and pay £150 compensation. Mr C didn't accept that. He considered Creation's offer was an insult, given all it had put him through.

my final decision

I have considered everything that Mr C and Creation have said and provided to decide what is fair and reasonable in this complaint. It's clear that Mr C has had a very difficult time, but he has acted responsibly and tried to keep up payments to his account. I agree that Creation should reasonably have done more to help him when he told it he was struggling. But, while I know this isn't the outcome Mr C hoped for, I consider Creation has now made a fair offer to put things right.

I can't fine or punish financial businesses, and I don't think I can fairly hold Creation responsible for Mr C's wider difficulties. I accept that Mr C has been upset and distressed by what's happened and, in all the circumstances, I find that Creation's offer is fair in recognition of that. It means Mr C won't have been charged for the debt and won't lose out because of any problems he had in keeping track of the account balance.

My final decision is that I uphold this complaint – but only to the extent of Creation's offer. In settlement, if Mr C accepts my decision, Creation Financial Services Limited should:

- **credit £422.45 to Mr C's account (if it deducts tax from the statutory interest element of this, it should send Mr C a tax deduction certificate so he can reclaim the tax if appropriate);**
- **pay Mr C directly (not by way of a credit to his account) £150; and**
- **recall Mr C's account from debt collection agents and suspend further interest and charges.**

Under the rules of the Financial Ombudsman Service, I am required to ask Mr C either to accept or reject my decision before 16 December 2014.

Janet Millington

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

I'm satisfied that I can fairly determine this complaint on the papers, without the need to hear from the parties in person.

Mr C says he didn't know about or agree to a balance transfer when he opened his Creation account. There's no dispute that he filled in a form with details of a debt on another account, and I think Creation just followed his instructions in making the transfer. In any case, I don't accept that Mr C has lost out because of this, as he already owed the money on another card.

I don't find that Creation should amend Mr C's credit file. Even if it had done more to help sooner, I'm satisfied that his credit file would still have been adversely affected. Mr C has details of free debt-advice organisations, and he might wish to contact one of them. I remind Creation to treat him positively and sympathetically in discussing repayment of the debt.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.