

complaint

Mr M complains that he was mis-sold a Payment Break Plan (PBP) and had problems communicating with R. Raphael & Sons Plc (trading as Monument). He wants compensation.

background

Mr M got a credit card with Monument in 2001. A PBP was added to his account at the same time. He got into financial difficulties and couldn't repay the debt. In 2010 the debt was sold to another company. It was repurchased by Monument in March 2013. Mr M says he never wanted a PBP. He wants Monument to refund the money paid under the PBP and pay compensation.

first adjudicator view

The adjudicator did not uphold the complaint. He said Monument refunded all charges that had been applied to his account including interest. This put Mr M in the position he would have been in had he not taken out the PBP. His communication problems with Monument took place when the other company owned the debt and so he should raise this with it. The debt was not Monument's responsibility in 2012.

Mr M was unhappy with this conclusion and said that he did not think Monument had repaid the PBP. Also he was not aware that another company had bought the debt. It took Monument over a year to tell him that it had taken back his debt.

Monument said it had refunded charges and interest and provided documentary proof of this. It said it did not tell Mr M that it had taken back the debt as this happened automatically.

second adjudicator view

The adjudicator took into account the additional information, but still did not uphold the complaint. He said that although Monument did not inform Mr M that it was taking back the debt, Mr M had been more than compensated. Monument refunded the PBP as a gesture of goodwill and refunded over £4,600.

Mr M was unhappy with this and believes he should get more compensation.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I agree with the adjudicator for much the same reasons. Monument has sent documentary evidence that it refunded the PBP and interest. I am satisfied that Monument did refund all the money paid under the PBP including interest and charges. In 2012 I note that Mr M tried to contact Monument about paying off some of the debt. However at this time the debt was not owned by Monument as it had sold it on. I have seen correspondence from Monument to Mr M that told him his account would be sent to a debt collection agency. I therefore find that Mr M was aware the debt would be sold on. It does not appear that Monument told Mr M that it had taken back his debt, which is unfortunate. Monument says debts are automatically

transferred in a case of bankruptcy, but Mr M was not bankrupt. I find from this that he was not informed that his debt had been bought back.

However I am satisfied that Monument has resolved the complaint by refunding all PBP charges and interest. This has put Mr M in the position he would have been in had he not been sold the PBP. I do not find it fair and reasonable to award further compensation.

my final decision

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr M to accept or reject my decision before 30 December 2014.

Clare Hockney
ombudsman