

complaint

Mr G complains that Premium Credit Limited provided him with poor service and the compensation it paid him did not cover his costs.

background

Mr G wanted to enter into a credit agreement with Premium Credit. He says that he returned his agreement but then later realised Premium Credit had not received this. He requested a second copy and says that once again he returned it but it was not received.

Mr G says he contacted Premium Credit and was told a third copy would be sent out. When this did not happen he contacted it again and was told that this had not happened and that a third copy would then be sent out. Mr G received this and returned it.

Mr G says that he incurred extra postage costs, call costs and inconvenience checking his account to see if his chaser fee had been refunded. He says the £10 compensation paid by Premium Credit was not enough.

Premium Credit says that it doesn't know why Mr G's first two agreements weren't received. It says that the chaser fee was applied in accordance with its terms and that when it received his signed agreement on 12 November it arranged to refund this. It says that when Mr G called on 4 November and was told the third copy of the agreement hadn't been sent out this was incorrect. It apologised for this. Premium Credit paid Mr G £10 to compensate him for his costs and the inconvenience caused.

The adjudicator recommended that Premium Credit pay Mr G a further £65 to cover his costs and for the inconvenience he had been caused.

The business did not agree. It said that Mr G made three calls totalling 13 minutes and that the £10 paid was sufficient.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I cannot say why Mr G's first two copies of his signed credit agreement were not received by Premium Credit. I also understand Premium Credit's comments that it cannot be held responsible for not receiving these.

However, I find that Mr G was caused inconvenience and upset through this process. I accept that he sent back his agreements and then needed to contact Premium Credit when he realised the chaser fee had not been refunded.

Mr G was told on a call that a third copy of the agreement would be sent out and when this did not arrive he contacted Premium Credit. He was then told this had not been sent out and one would be sent immediately. Premium Credit says that this was incorrect information and that a copy had been sent out. Either way, Mr G was not provided with the service he should have been.

Premium Credit has accepted that Mr G was inconvenienced through this process. I do not know the reason for Mr G's first two agreements not being received however I still find that £10 was not enough compensation. Mr G was provided incorrect information and did incur costs having to contact Premium Credit. On balance I find that a further £65 is reasonable.

my final decision

My final decision is that Premium Credit Limited should pay Mr G a further £65 to compensate him for the inconvenience he has been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 March 2016.

Jane Archer
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