

complaint

Mr M is a sole trader. He's unhappy about a merchant service contract he had with Elavon Financial Services Designated Activity Company ("Elavon").

background

Mr M was sold a card terminal hire package by a separate company, which included a merchant service contract with Elavon. Mr M is unhappy with how the package was sold to him and says he has been charged more by Elavon than he was led to believe he would be.

To be clear I won't be considering how the Elavon contract was sold to Mr M as this wasn't sold by Elavon. So, I won't be looking at what Mr M was told about the contract with Elavon.

Mr M's complaint, and what I will be looking at here, is about how Elavon contacted him to collect charges that were due.

Mr M complains that Elavon wrote to his business address and not his personal address when chasing the outstanding debt. Mr M says he didn't receive these letters and he only knew about the debt when he was contacted by a debt collection agency. He immediately paid the debt in full. He is concerned that Elavon's actions impacted his credit rating. Mr M is also unhappy that Elavon sent its response to his complaint to the business address when he had asked for it to be emailed to him instead. Mr M says he wants the money he paid to be refunded.

Elavon said all charges applied to Mr M's account were in line with the agreement held. It sent its letters to the address on the contract and it wasn't aware Mr M couldn't receive them there. It confirmed Mr M's account had been settled in full and closed. It apologised for not sending its complaint response by email as requested.

Our investigator looked at the complaint and thought that Elavon could have used the personal details it held to contact Mr M about the outstanding debt, especially as it had not had a response from him. To put things right she said it should arrange for any adverse information to be removed from Mr M's credit file.

Elavon responded and said that it has not registered any adverse information against Mr M's credit file.

Mr M disagreed with our investigator; he said he thought his complaint had been misunderstood. His complaint wasn't about his credit file. Elavon had used his email and phone number for other communications, so it could have used them to contact him about the debt. He mentioned he had spent a lot of time on the matter and made many calls. He pointed out that Elavon still wrote to the business address after being told not to. Mr M said he thinks because of all the issues, Elavon should refund him his money and take it upon itself to pursue that amount from the selling company.

my provisional findings

I issued my provisional findings on this complaint on 21 October 2019. I said I intended to uphold the complaint in part, for the following reasons:

Having looked through the file, I can't see that Mr M made Elavon aware that he was no longer associated with the business address before January 2019. So, it wasn't wrong to write to that address about the outstanding debt. Arguably it could have used the personal details it had on file for him, but this wasn't its usual process and it didn't have to do so.

I realise it would have been a shock to Mr M to receive contact from a debt collection agency, but I can see he was able to sort out the issue with one telephone call. He paid the debt in full, it was recalled from the debt collection agency and Elavon has subsequently said no adverse credit information has been recorded. Mr M did say he was initially worried about the possibility of this in his complaint to us.

Elavon did write a letter to Mr M at the business address after it had been asked not to and it has apologised for this. I think that is sufficient and no further compensation is due here.

Mr M has said that he has spent a lot of time on calls in trying to resolve this issue, however having listened to the call he had with our investigator, he is mainly referring to recovering the original money from a contract he feels was mis-sold. As explained above, I've not considered this issue as part of this complaint.

Mr M held an agreement with Elavon, so it was entitled to collect the money due. It wrote to Mr M's business address to do this, and I think that was reasonable. It did write to him at his business address after being asked not to. However, I don't think this issue in itself means his money should be refunded or that compensation should be paid.

my provisional decision

For the reasons above, I'm not minded to uphold Mr M's complaint about Elavon Financial Services Designated Activity Company.

responses to my provisional decision

Elavon said it had received my decision but didn't have any further comment to make.

Our investigator spoke with Mr M to check he'd received the decision which he said he had, but he didn't think I'd understood his complaint. Mr M suggested he may write in to reiterate his points but we haven't received anything further.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And having done so, I see no reason to change my provisional decision.

I appreciate Mr M feels I haven't understood his complaint however he has not provided any further points or evidence for me to consider when reaching my final decision.

my final decision

I reject Mr M's complaint against Elavon Financial Services Designated Activity Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 December 2019.

Alison Gore
ombudsman