

complaint

Mrs W complains about the way that Shop Direct Finance Company Limited has dealt with her account.

background

Mrs W has an account with Shop Direct and she used it to buy a number of items on “buy now – pay later” terms. She says that she made payments on time but interest has incorrectly been applied to her account and that Shop Direct hasn’t dealt with her purchases correctly. She also says that Shop Direct stopped sending her paper statements, that its statements are unclear and confusing, that it breached data protection laws by using her work number to contact her about the account and that its customer service hasn’t been good enough. She wasn’t satisfied with Shop Direct’s responses so complained to this service.

The investigator didn’t recommend that this complaint should be upheld. She said that there had been customer service errors but she thought that Shop Direct had done enough to apologise and put matters right. The interest that Mrs W was charged was removed from her account by payments totalling £261.64, the balance of £151.64 was cleared from the account and Mrs W received payments for her trouble and upset.

Mrs W has asked for her complaint to be considered by an ombudsman. She says, in summary, that Shop Direct apologised for allocating the payment to the wrong place and that it adjusted her account so much that it became confusing. She says that it should’ve sent any compensation directly to her and not credited it to her account as she was never going to use it again. She says that it cleared the interest and charges on her account and set the balance to zero as an outcome of all of its mistakes. She says that she just wants the compensation that she was promised for all of her calls, recorded delivery letters and Shop Direct’s misleading advice and poor service.

my findings

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

Shop Direct says that Mrs W’s payments for a pair of trainers were applied correctly and that the advice that she was given was correct. But it has refunded interest of £165.20 to her account and it accepted that the service that Mrs W received was not of the standard it strives to offer so it apologised and sent her a cheque for £40 in May 2017. Mrs W didn’t cash that cheque but Shop Direct has now offered to issue a replacement cheque to Mrs W for £40.

Shop Direct accepts that the price of a cooker was not adjusted correctly and, in September 2017, it refunded £100.52 of interest to Mrs W’s and it credited a further £151.64 to her account (which reduced the balance to zero) as a gesture of goodwill recognising the distress and inconvenience that she’d been caused. And it also applied £15 credits to Mrs W’s account in February and March 2017 due to lengthy calls that she’d made to it and refunded interest of £9.53.

It’s clear that there have been some failings in the service that Shop Direct has provided to Mrs W. But it has apologised for those failings. And it’s provided evidence to show that it:

refunded interest of £165.20 in March 2017, £9.53 in July 2017 and £100.52 in September; wrote-off £151.64 from her account in September 2017, paid her a total of £30 compensation for the calls that she made to it and sent her a cheque for £40 compensation. Mrs W received that cheque but didn't cash it – and Shop Direct has now agreed to send her a replacement cheque.

I consider that those actions are fair and reasonable compensation for its service failings. And I'm not persuaded that it would be fair or reasonable for me to require Shop Direct to pay any other compensation to Mrs W or to take any other actions in response to her complaint.

Shop Direct wrote to its customers in November 2015 to say that they would no longer receive paper statements (unless they updated their preferences to request them). I don't consider that there was any requirement for it to send paper statements to its customers and I'm not persuaded that there's enough evidence to show that Mrs W asked it to send her paper statements.

Shop Direct says that Mrs W's work number was registered on her account in April 2012. It says that it's removed the number from its database but it didn't offer any compensation to Mrs W relating to this issue. I'm not persuaded that there's enough evidence to show that it recorded or used her number incorrectly. And I don't consider that it would be fair or reasonable for me to require it to pay any compensation to Mrs W for using her work number.

my final decision

For these reasons, my decision is that, in full and final settlement of Mrs W's complaint, Shop Direct Finance Company Limited should send a replacement cheque to Mrs W for £40.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 26 February 2018.

Jarrold Hastings
ombudsman