

The complaint

Miss C has complained that Advanced Payment Solutions Limited, trading as Cashplus Bank, made errors that prevented her repaying the balance on her credit card account.

What happened

I have previously issued a provisional decision regarding this complaint. The following represents excerpts from my provisional decision, outlining the background to this complaint and my provisional findings, and forms part of this final decision:

“Miss C made repayments to her Cashplus account from an account with another bank which I will call ‘Bank N’. However in 2022, some of the repayments she was making to the account were rejected by Cashplus. Initially Miss C didn’t take any further action because she thought the problem would rectify itself. However, as a result of payments not being made, Cashplus informed her that she was over her credit limit.

Miss C says that she contacted Bank N, and it told her that it was authorising the payments, but that Cashplus was then rejecting Bank N’s authorisation code. Miss C complained to Cashplus that the reason her payments were not being received on her account was because of a fault it had caused. She said that this had adversely affected her credit rating.

In response to her complaint, Cashplus stated that Miss C had exceeded her credit limit of £500 on three occasions since June 2021. It commented that she had regularly been operating the account near the credit limit, and that under the account terms, it was for Miss C to return the balance to within that limit. It asked Miss C to call its credit management team to make her next payment. Cashplus did not consider it had acted inappropriately by reporting account activity that led to any record being placed on Miss C’s credit file. However, it offered to refund two ‘over limit’ fees totalling £24, as a gesture of goodwill.

Dissatisfied with Cashplus’ response, Miss C brought a complaint to this service.

Our investigator did not uphold this complaint. He stated that he could not see any authorisation codes that Cashplus had rejected when Miss C had attempted to make payments to her account. He also considered that Cashplus had offered suitable alternatives to Miss C to allow her to make payments to the account. The investigator stated that there were various channels available to Miss C to check her balance, so she would have been able to see if she was near or over the credit limit.

Miss C disagreed with the investigator’s assessment. She said that she had contacted Bank N and it had told her that it could see that her payment transactions had been cancelled from Cashplus’ side. Miss C indicated that Bank N would be providing her with evidence to show this. She mentioned that at times she had made payments that resulted in her account being in credit, and she questioned whether this had also resulted in her incurring a charge from Cashplus. She also reiterated her concerns about how these events had impacted her credit rating.

Miss C asked that her complaint be considered by an ombudsman, and it was referred to me. I have since asked Cashplus to provide further clarification regarding the payment transactions that Miss C has stated she attempted to make to the account, but which failed.

What I've provisionally decided – and why

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

The crux of Miss C's complaint relates to her assertion that errors at Cashplus prevented payments she had requested to be made to repay her credit card account being processed successfully.

Miss C has explained that she has been in contact with Bank N, which holds the account from where she was attempting to repay her Cashplus account. She says that Bank N has told her that the payments failed due to Cashplus' actions. Miss C told us that she would be providing evidence from Bank N to show that Cashplus were at fault, but she hasn't forwarded such evidence to this service.

I must assess this complaint based on the balance of probabilities. That means that I need to determine, based on the evidence provided, what I consider most likely has occurred with the failed payments, and whether or not this suggests Cashplus was at fault.

Cashplus states that its records show there were failed payments to its account in 2022 on 1 and 2 July, 19 July, 21 September and 27 September. It has mentioned that a reason for the payments failing may have been due to Miss C's address not being verified. Further to this, the internal records it has provided include commentary from July 2022 where Cashplus indicated that the house number linked to the debit card Miss C was using to make payments did not match the house number which Cashplus had on file for Miss C.

I can see that Cashplus suggested other ways in which Miss C could make payments to her account, such as via a bank transfer. It's also clear from Miss C's account statement that she was able to successfully make payments from her bank to Cashplus on 1 June, 2 June and 13 June.

I have carefully considered Miss C's comments about the conversations that she had with Bank N about the cause of the failed payments, and also her description of the problems that she encountered trying to make payments. I am sorry to hear of the difficulties that Miss C experienced, and I appreciate that she is unhappy about the implications on her credit file of the events that occurred. However, on the balance of evidence provided, my view is that it has not been shown that Cashplus was at fault for the problems Miss C had when attempting to pay money to her credit card account. I also cannot see that Miss C incurred a charge from Cashplus when her account was in credit.

Although I understand that Miss C is likely to be disappointed with my findings, my current view is that Cashplus has not been at fault or acted unfairly in relation to the failed payments that she attempted to make."

responses to my provisional decision

Cashplus confirmed that it had no further comments to make on this case.

Miss C did not respond to my provisional decision.

What I've decided – and why

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

Having done so, and taking into account the replies to my provisional decision, I do not consider that I have reason to alter the conclusions reached in that provisional decision.

My final decision

My final decision is that I do not uphold this complaint, and I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 28 December 2023.

John Swain
Ombudsman