

The complaint

Mrs B is unhappy with the service she's received from PrePay Technologies Limited.

What happened

Mrs B contacted PrePay because her existing travel card had expired, and she needed to apply for a new one but was unable to do so. Mrs B wasn't happy about this, and she also wasn't happy that she was incurring inactivity fees on the balance of her expired card whilst being unable to apply for a new one. So, she raised a complaint.

Mrs B was promised a call back by PrePay but never received this call back. Mrs B wasn't satisfied with how PrePay had tried to resolve her complaint. So, she referred her complaint to this service.

In February 2023, one of our investigators looked at this complaint. They recommended that PrePay should arrange to call Mrs B to walk her through the process of applying for a new card. And they also recommended that PrePay should reimburse all inactivity fees applied to the balance since March 2022 – when Mrs B had been promised a call back from PrePay – as well as make a payment of £35 to Mrs B in light of the trouble and upset she'd incurred.

PrePay agreed to the recommendations put forwards by our investigator. But Mrs B never received a call from PrePay to help her apply for a new card, and inactivity fees continued to be charged to her existing balance. Mrs B remained dissatisfied with the service she was receiving from PrePay, so the matter was escalated to an ombudsman for a final 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.

I issued a provisional decision on this complaint on 31 August 2023 as follows:

It's unfortunate that PrePay haven't adhered to the recommendations put forwards by our investigator in February 2023 – to which both PrePay and Mrs B agreed to accept as a resolution to this complaint.

Having agreed to our investigator's recommendations, I feel that it was incumbent on PrePay to have taken whatever action was necessary to adhere to them. And this includes exploring alternative options of contacting Mrs B, or allowing Mrs B to contact them, to achieve the result – the opening of a new card for Mrs B and the transferring of Mrs B's existing balance with them to that new card – that they committed to achieving when they accepted our investigator's recommendations.

Six months have now passed since our investigator issued their recommendations, and PrePay still haven't found a way to communicate with Mrs B. And PrePay also now appear to have stopped communicating with this service about this ongoing matter.

I'm satisfied that PrePay's ongoing failures to resolve this matter constitute an ongoing detriment to Mrs B for which she should fairly be compensated. And having reviewed how PrePay have handled this matter since accepting the recommendations put forwards by our investigator, I'm not convinced that PrePay will be able to resolve Mrs B's complaint as they've promised to.

As such, my provisional decision here is that I uphold this complaint in Mrs B's favour and instruct PrePay to reimburse all inactivity fees to the balance they hold for Mrs B from March 2022 onwards.

PrePay must then pay the amended balance to a bank account of Mrs B's choosing, which will be relayed to PrePay via this service. It's my understanding that Mrs B's balance is presently held with PrePay in Euros. If this is the case, then PrePay must exchange the balance to GBP at present market rate without applying any fees to that exchange.

Additionally, PrePay must also make a payment of £250 to Mrs B for the ongoing frustration and inconvenience that she's incurred here. In arriving at this amount, I've considered the impact that these events have had on Mrs B as well as the general framework which this service uses when considering compensation amounts for upset and frustration, details of which can be found on this services website.

In my provisional decision letter, I gave both Mrs B and PrePay the opportunity to respond and to provide any comments or new information they might wish me to consider before I moved to issue a final decision.

Neither Mrs B nor PrePay provided any responses to this service. As such, I see no reason not to issue a final decision here whereby I uphold this complaint in Mrs B's favour on the basis described above. And I therefore confirm that I do uphold this complaint on that basis accordingly.

Putting things right

PrePay must reimburse all inactivity fees to the balance they hold for Mrs B from March 2022 onwards.

PrePay must then pay the amended balance to a bank account of Mrs B's choosing, which will be relayed to PrePay via this service.

If Mrs B's balance is presently held with PrePay in Euros, then PrePay must exchange the balance to GBP at present market rate without applying any fees to that exchange.

PrePay must also make a further payment of £250 to Mrs B for the ongoing frustration and inconvenience that she's incurred here.

My final decision

My final decision is that I uphold this complaint against PrePay Technologies Limited on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 27 October 2023.

Paul Cooper
Ombudsman