

The complaint

Mr B complains Sainsbury's Bank plc (Sainsbury's) closed his credit card account without prior notice.

What happened

Mr B says Sainsbury's closed his credit card account in March 2023, without any prior warning or notice. Mr B says he attempted to use his credit card, but it was rejected so he called Sainsbury's in late March who informed him the credit card account had been closed. Mr B says Sainsbury's were unsympathetic and simply told him he could re-apply for a new credit card in 90 days.

Mr B says despite what Sainsbury's informed him he never received a letter in January 2023 informing him this would happen. Mr B says he would expect Sainsbury's to have notified him of this by way of email, text, or registered letter and if it had he would have acted upon it. Mr B says he has lost out on the benefits the card offered. Mr B wants Sainsbury's to reinstate his credit card facility, apologise for the lack of notification and improve its process, procedures and communications.

Sainsbury's says it acted in line with its process and procedures as Mr B's credit card account hadn't been used for some time. Sainsbury's says it wrote to Mr B in August 2022 and January 2023 regarding his credit card account, to the address it held on file and it has received no returned post. Sainsbury's says there has been no bank error and Mr B is free to apply for a new credit card 90 days from the date his account was closed.

Mr B wasn't happy with Sainsbury's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator didn't feel Sainsbury's acted unreasonably when it closed Mr B's credit card account as it had written to Mr B in line with its process and procedures. The investigator says she had seen copies of those letters sent in August 2022 and January 2023. The investigator says under the terms and conditions of the credit card account, Sainsbury's can end the agreement as long as it provided two months written notice and she was satisfied it had done that here. Mr B didn't agree with the investigator's view and asked for the matter to be referred 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting for Mr B to learn his credit card account with Sainsbury's had been closed without having received any prior notification of this. When looking at this complaint I will consider if Sainsbury's provided Mr B with reasonable notice of

the closure of his credit card account.

Mr B's complaint centres around the fact he never received any notification from Sainsbury's of the proposed closure of his credit card account, even though it says it wrote to him about this on two separate occasions due to its inactivity. Mr B says he never received any letters from Sainsbury's, and it should have emailed, text or sent a registered letter to ensure he received such communications as he would have acted upon it.

I understand the points Mr B makes here and while I am sympathetic to his situation, Sainsbury's have acted in line with its process and the terms and conditions of the credit card account. I say this because I have seen both the letters addressed to Mr B in August 2022 and January 2023 advising him he hadn't used his card for some time and then informing him if the card wasn't used in the next two months it would be closed. I am satisfied Sainsbury's acted reasonably here given the credit card account had been inactive for some months.

While Mr B says he never received those letters, I can't hold Sainsbury's responsible as to why these letters weren't received and it's possible this may have been due to the overseas postal system. Importantly here, Mr B feels Sainsbury's should have communicated this by way of email, text, or registered letter, but that isn't Sainsbury's process and details of that process have been evidenced to this service. Although Mr B may not agree, it's not the role of this service to tell Sainsbury's what processes and procedures it must adopt, and I am satisfied that the notice to close Mr B's account by way of formal letter was reasonable in the circumstances.

Without trying to minimise the frustration this matter would have undoubtedly caused Mr B here, Sainsbury's have told him he is now able to reapply for a new credit card account if he so wishes. While Mr B will be disappointed with my decision, I won't be asking anymore of Sainsbury's here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 November 2023.

Barry White
Ombudsman