

The complaint

Mr S is unhappy with Sainsbury's Bank Plc regarding the way it handled his credit card account. Mr S felt he was bombarded with debt collection calls, texts, emails, and letters. And some of these were sent to him even while he wasn't in arrears.

What happened

Mr S felt the amount of correspondence from Sainsbury's was overwhelming. Mr S said that he felt the trigger for the real issues was when Sainsbury's cancelled his direct debit payment to his credit card. He wasn't happy that Sainsbury's did this in the first place and that it wouldn't then reinstate the direct debit. As far as Mr S is concerned the reason his account ended up in arrears was due to the direct debit cancellation by Sainsbury's. At a later stage Mr S also pointed out to Sainsbury's that he had particular individual needs in the form of a reasonable adjustment. Mr S didn't feel that Sainsbury's resolved this for him. As Mr S remained unhappy, he brought his complaint to this service.

Our investigator didn't uphold the complaint. He said that as Sainsbury's had apologised and offered £100 in total for the mistakes around the arrears notices this was fair and reasonable compensation. He noted it had removed any late fee payment charges and the system marker noting a late payment. He accepted Sainsbury's had followed its usual process when it cancelled the direct debit payment. In terms of the reasonable adjustments, he noted text-relay was offered, paper statements were set up to be issued and it provided details of a Typetalk system too. Our investigator said Sainsbury's offered reasonable adjustments.

Mr S didn't accept this and asked for his complaint to be passed on 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.

Sainsbury's issued a final response letter in May. It explained that as two months direct debits hadn't been paid it was normal process for it to cancel that direct debit as payments weren't coming through from the direct debits anyway. I accept that is Sainsbury's normal process and I don't think it's different from any of the other credit card providers. I note Mr S thinks this is unlawful, unjust, etc and I understand why he may feel like this as initially there was some debate about who had cancelled the direct debit. But once that point had been cleared up, I don't think he'd have been treated any differently by most other credit card providers after having a couple of direct debits in a row fail.

Sainsbury's notified Mr S it had done this and let him know he needed to set up a new direct debit or make manual payments. Mr S was unhappy with this and wanted Sainsbury's to set up the direct debit again. But I think Sainsbury's was eventually clear about what it had done, why it had done it, and gave Mr S options as to actions he needed to take. I understand that Mr S thinks this was unreasonable and unfair and that he wanted Sainsbury's to reset the direct debit. But I don't think that means Sainsbury's had to do that.

The direct debit had failed twice, and Sainsbury's had notified Mr S of the actions he needed to take to reinstate the arrangement. So, I think Sainsbury's acted reasonably.

Sainsbury's said there had been no bank error when it charged the £12 late fee. It said this was *"applied correctly in line with our terms and conditions."* But it did still agree to refund the late fee back to Mr S and amended the impact on his credit file. I think that's fair.

Sainsbury's did accept that further text messages and correspondence were sent to Mr S when he had already brought the account up to date. It said it was aware of customers were still getting messages when they'd cleared up the problems. So, it accepted Mr S hadn't received the expected level of service and in recognition of that credited £50 to his credit card account. And it did point out that the payment wouldn't count towards Mr S's monthly payment, and he would still need to make his monthly payment. When the unwanted further arrears notifications continued it offered a further £50 to make compensation total £100. I think this was reasonable.

Mr S did make Sainsbury's aware of his reasonable adjustment request and about accessing the account. Sainsbury's said there were no issues with online access and that Mr S's log in details *"are valid and not currently suspended, therefore he should be able to re-set his details online"*. And in terms of the reasonable adjustment, it offered a Text Relay service or interpreting service. I think Mr S felt in some way this was a refusal to deal with his reasonable adjustment request. But I can't see that Sainsbury's did refuse. There was a little confusion for Mr S about what the TypeTalk function entailed but I don't see that as a refusal by Sainsbury's to help with his adjustment. It also said it would and could deal with matters by email and post and it did set up a new postal paper statements arrangement for Mr S. I think these actions were reasonable based on Mr S's request. So, I think Sainsbury's acted reasonably here.

Mr S made several points about unlawful acts conducted by Sainsbury's. He mentioned getting solicitors involved and taking Sainsbury's to court. Mr S said the problems caused had an impact on his health and his credit rating. There were points where Sainsbury's could have dealt with matters more effectively. But I think Sainsbury's did accept its failings and I think the £100 it offered as compensation for any distress and inconvenience caused is reasonable. However, it's clear that Mr S might decide to take Sainsbury's to court. I can confirm that if Mr S chooses not to accept my decision, he is then perfectly entitled to take legal action against Sainsbury's.

My final decision

I don't uphold this complaint.

I make no award against Sainsbury's Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 February 2024.

John Quinlan
Ombudsman