

The complaint

Mr S complains Shop Direct Finance Company Limited didn't make reasonable adjustments for him, didn't close his account in the manner he requested and gave poor service too.

What happened

Mr S had an account with Shop Direct (trading as "Very") which was closed in May 2021.

In October 2021 Mr S complained to Very that it had written to him about an unaffordable lending claim when it should have written to his lawyers. He subsequently complained that his account hadn't been closed in the way it should have been.

Very investigated Mr S's complaints and said that it had written to his lawyers because it hadn't received a response to a text message it sent Mr S checking whether or not they were authorised to bring a claim on his behalf. So it didn't think it had done anything wrong there. Very accepted that it could have handled a call from Mr S about his account better, and so offered to send him a compensation cheque as a goodwill gesture. Mr S was unhappy with Very's response, not least because he'd already made it clear that Very shouldn't be sending him any letters in the post which a cheque would also involve. So, he complained to us.

One of our investigators looked into Mr S's complaints and said that the only issue they needed to decide was how much compensation Very ought to pay Mr S given that both parties agreed Very could have done better. Having taken everything into account, our investigator said that they thought £75 was fair and reasonable and recommended that amount be paid by BACs. Mr S didn't agree – he said that Very had sent him several other letters in breach of its duty to make reasonable adjustments. He asked for an ombudsman to look into his complaint. So, that's what I've done.

Last month I issued a provisional decision saying that I didn't agree Very had done anything wrong as far as closing Mr S's account was concerned. I didn't, however, think that Very should have sent the letter it did to Mr S on 24 September 2021 as I was satisfied that Mr S had told Very he'd authorised the law firm in question to bring a claim on his behalf. I also said I was satisfied that Very has sent Mr S several letters despite him asking it not to do so. I said I thought Very should pay Mr S £200 in compensation in full and final settlement and invited both parties to comment. Very said it had nothing to add and Mr S said compensation of £200 was too low, and that I should be awarding a minimum of £900.

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.

Mr S has told us that he's unable to touch, pick up, look at, read or open letters sent to his home address because of a physical disability. He's also told us that he needs businesses to make reasonable adjustments for him in accordance with the Equality Act 2010.

Mr S has told Very that he'll take them to Court unless he receives a significant amount of

compensation – by which I mean over £5,000 – given that he believes it has breached its duty to make reasonable adjustments under the Equality Act 2010. He’s also told me that £200 compensation is too low, and that my award should “exceed the minimum of £900”.

As I mentioned in my provisional decision, I have to take the Equality Act 2010 into account when deciding this complaint – given that it’s relevant law. Ultimately, however, I have to decide this complaint based on what’s fair and reasonable. So, if Mr S wants a decision that Very has breached the Equality Act 2010, then he’ll need to go Court. On a related point, and even though Mr S hasn’t said so explicitly, it looks like Mr S is expecting me to award compensation in line with what are known as the “Vento guidelines”. Those are guidelines that the Courts use when making awards in discrimination cases. I say this because the “Vento guidelines” set out a series of bands of awards, and the minimum band starts at £900. So, I’ve taken Mr S’s comments to be a reference to those guidelines. I’m aware of those guidelines, and of our approach to awards too.

As I said in my provisional decision, I agree with Mr S that the £75 Very offered wasn’t sufficient compensation. Having considered the impact that Very’s actions had on Mr S, however, I was satisfied that £200 would be a fair outcome. I appreciate that Mr S would like me to award more, and to make an award of at least £900. But having taken everything into account, I remain of the view that the impact in this case on Mr S means an award of £200 is fair and reasonable. So that’s the amount I’m going to require Very to pay Mr S.

Putting things right

For the reasons I’ve just given, I’m going to require Very to pay Mr S £200 – using BACS – in full and final settlement of this complaint. If Mr S wants to take Very to Court and show it’s breached the Equality Act 2010, in the hope that he’ll receive a greater amount of compensation, he can do so. He won’t be able to do that, however, and accept my decision. In short, he’ll have to decide whether to take Very to Court or accept my final decision.

My final decision

My final decision is that I require Shop Direct Finance Company Limited to pay Mr S £200 in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 19 July 2022.

Nicolas Atkinson
Ombudsman