

The complaint

Mr B complains that Commsave Credit Union Limited (“Commsave”) were unreasonable to ask him for evidence of his financial situation.

What happened

Mr B has a personal loan with Commsave to which Commsave had agreed to allow him to make reduced payments in light of the financial difficulties he was facing. In January of this year Mr B’s circumstances changed and he asked Commsave to agree to suspend payments for up to a year or to accept token payments.

Mr B is upset that Commsave asked him for evidence to support his change in circumstances. Our investigator didn’t think Commsave had been unreasonable to ask for that information, but Mr B was unhappy with that view and has asked for a decision by an ombudsman. The complaint has, therefore, been referred to me to make a 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 was sorry to hear about the difficulties Mr B has been having but I’m afraid I don’t think Commsave have been unreasonable here.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

When Commsave were told about Mr B’s financial and mental health difficulties I’d expect them to have been sympathetic towards him and to have shown him some forbearance. I think they did that. They offered repayment plans, suspended interest, and have provided temporary payment breaks.

Mr B agreed a reduced payment plan in November 2023 and at that time the information Commsave gathered suggested those repayments would be affordable for him. I don’t think it was, therefore, unreasonable of them to ask for evidence of Mr B’s changing circumstances in January 2024. They needed to establish whether there was any prospect of payments being sustainably made towards the account. I don’t think the fact they’d previously asked for similar evidence, or that similar evidence had been provided to the debt charity who had been assisting Mr B, would mean they should not do that again as it was clear there had been a change in circumstances and a further review was required.

As Mr B had contacted Commsave for assistance I don't think they were unreasonable to reach out to him for evidence rather than the debt charity who had been assisting him.

My final decision

For the reasons I've given above, I don't 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 2 August 2024.

Phillip McMahon
Ombudsman