

The complaint

Mr C complains about some customer service issues he's had with a loan from Sainsbury's Bank Plc ("Sainsbury's").

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 agree with our investigator's opinion and think Sainsbury's should provide some further compensation for Mr C. I'll explain why.

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.

Transferring the account

The terms and conditions of Mr C's loan agreement allowed Sainsbury's to transfer the account to a third party. They said:

"We may transfer our rights and obligations under your loan agreement to another organisation (including organisations outside the European Economic Area) [...] We may also arrange for any other person to carry out our rights or duties under this agreement."

So, I don't think Sainsbury's were unreasonable to transfer the account.

Direct Subject Access Request (DSAR)

Sainsbury's haven't been able to provide the calls Mr C asked them for. They've explained that this is because the loan was managed for them by another bank at the time and they have no relationship with that organisation. I'd agree that Sainsbury's should have explained to Mr C earlier that these calls wouldn't be available to him, I don't think that was fair and I think Sainsbury's should compensate him for the distress that caused. I'll come back to how much I think they should pay.

Phone calls

I've been provided with calls completed in October 2023, but I don't think the agents handled those calls inappropriately or that they provided inaccurate advice. I don't think Sainsbury's need to take any action in that respect.

Post sent to mother's address

Sainsbury's have accepted this was an error and I find no reason to dispute that Mr C was distressed by that issue. In the circumstances and considering the compensation I think should be paid in relation to the DSAR that I considered earlier, I think Sainsbury's should pay Mr C a total of £200 in compensation. They can deduct anything they've already paid in relation to those issues.

My final decision

For the reasons I've given above, I uphold this complaint and tell Sainsbury's Bank Plc to pay Mr C £200 to compensate him for the distress and inconvenience caused. They can deduct any compensation they may already have paid in relation to these issues.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 July 2024.

Phillip McMahon
Ombudsman