

The complaint

Ms I complain that Moneybarn No. 1 Limited (Moneybarn) didn't advise her that changing her direct debit payment date would result in two payments in the same month. She believes Moneybarn's actions led to her account being in arrears and caused her significant stress. She doesn't feel the £50 compensation Moneybarn paid is sufficient.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here instead I will focus on giving the 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.

Having done so I have reached the following conclusions:

- Moneybarn changed Ms I's payment date at her request but didn't explain that, in doing so, Ms I would make two payments in October 2021. Having looked at Ms I's payment history the payments made in October were correct – one was to cover the September payment and one to cover the October payment. Moneybarn did as Ms I instructed.
- Ms I doesn't feel the £50 Moneybarn credited to her account is sufficient as it upheld her complaint. She has made a number of points which I have carefully considered.
- I don't accept Ms I's view that Moneybarn withheld key information from her. That implies that Moneybarn deliberately didn't advise of the impact of the change of payment dates. I have no evidence of this, I think it more likely the adviser didn't think to tell her.
- I accept Ms I may not have changed her payment date had she realised the implication of doing so. But she would still have been liable for her monthly payments. Moneybarn's actions haven't caused any additional payments to be made nor has it caused her account to go into arrears. From what I have seen, after the initial issue in October 2021, Ms I then didn't make a payment in December 2021 leading to two payments being due in January 2022 but Ms I only made one payment. So, I see no reason for Moneybarn to pay Ms I the £254.12 'extra' payment she believes they created.
- I believe Moneybarn's suggestion of surrendering Ms I's car was a standard option put to her to help her if she was struggling to meet her payments. When cars are returned or surrendered there may be charges for damage outside of normal wear and tear. I don't believe there was anything amiss in Moneybarn's advice.
- Ms I believes Moneybarn hasn't changed her credit file as it agreed to do so in its final response letter. We have checked with Moneybarn who have confirmed that it

has changed her credit file to a 'U' for the months of October and November 2021. And it has explained that a 'U' marker is a neutral marker. Having read the final response letter I believe Moneybarn has done what it offered to do. And I have noted the two 'U' markers on the credit file information Ms I sent to us .

- Moneybarn has already credited Ms I with £50 compensation in recognition of not explaining the impact of changing her payment date. Having looked at all the information provided I think this was a reasonable response. And I don't feel I have seen any information that leads me to feel Moneybarn should pay additional compensation as Ms I would like.
- Ms I has made some points about the end of her agreement and a payment holiday being disregarded. But these events occurred after Ms I put her complaint to us . So, it wouldn't be appropriate for me to consider these issues as Moneybarn hasn't had an opportunity to look into them. If there are new issues Ms I needs, in the first instance, to put these to Moneybarn.

My final decision

My final decision is that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms I to accept or reject my decision before 29 September 2022.

Bridget Makins
Ombudsman