

The complaint

Mr F is unhappy that PayrNet Limited introduced monthly charges on his account without notifying him in advance.

What happened

Mr F applied for a PayrNet account in 2017 which was advertised as having no monthly fees. However, Mr F noticed that PayrNet had begun charging fees of £1 per month in 2019 and had raised this to £2 per month in 2020. Mr F wasn't happy about this, especially as he hadn't been notified by PayrNet that monthly fees would be charged on his account. So, he raised a complaint.

PayrNet looked at Mr F's complaint. But they felt that they had notified Mr F in advance that fees would be applied to his account, and also that the monthly fees would be increased. And so, they didn't uphold Mr F's complaint.

Mr F wasn't satisfied with PayrNet's response, so he referred his complaint to this service. One of our investigators looked at this complaint. They felt that PayrNet hadn't been able to reasonably confirm that Mr F had been notified that fees would be introduced on his account, and so they recommended that the complaint be upheld in Mr F's favour and that PayrNet should reimburse the charged monthly fees to him.

PayrNet didn't respond to the view of the complaint put forwards by our investigator, so the matter was escalated 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.

I issued a provisional decision on this complaint on 29 September 2022 as follows:

In response to the view of this complaint put forwards by our investigator, PayrNet have provided evidence to this service, in the form of screenshots of their internal systems, which I'm satisfied does show that Mr F was in all likelihood sent communications by PayrNet which gave advance notice to Mr F that the monthly account fees would be increased from £1 to £2 per month. And while PayrNet no longer retain the records which demonstrate that similar advance notice was sent to Mr F in regard to monthly fees of £1 being introduced onto his account in 2019, I feel it's more likely than not that such notice was sent.

I also feel that Mr F, as the account holder, had a responsibility to monitor his account on a regular basis, and I note that the monthly statements for his account included that monthly fees were being charged from 2019 onwards. As such, if Mr F wasn't happy with the monthly fees being charged on his account, I feel that it was incumbent on him to have taken any action he felt necessary sooner, and before the fees had been charged to his account for such a lengthy period of time. And in

consideration of these points, my provisional decision here will be that I won't be upholding this aspect of Mr F's complaint.

However, it seems clear from the correspondence between Mr F and PayrNet surrounding Mr F's inquiries into the fees on his account, that Mr F didn't receive the standard of service from PayrNet that he was entitled to receive. This included Mr F being incorrectly told by PayrNet that his account had always been a fee-paying account, which wasn't the case, as well as several other instances of poor communication from PayrNet which it seems clear to me did cause Mr F an unnecessary degree of frustration and inconvenience.

As such, my provisional decision here is that I'll be upholding this complaint in Mr F's favour on this basis and instructing PayrNet to make a payment of £75 to Mr F, which I feel fairly compensates him for the upset and trouble that he's incurred here.

Both Mr F and PayrNet responded to my provisional decision and confirmed that they were happy to accept it. As such, I see no reason not to issue a final decision upholding this complaint in Mr F's favour on the basis explained above. And I can confirm that I do uphold this complaint in Mr F's favour on that basis accordingly.

Putting things right

PayrNet must make a payment of £75 to Mr F

My final decision

My final decision is that I uphold this complaint against PayrNet Limited on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 16 November 2022.

Paul Cooper
Ombudsman