

The complaint

Miss S complains that Moneybarn No.1 Limited trading as Moneybarn put negative information on her credit file due to a missed payment. She would like the negative information removed ,and compensation for the distress and inconvenience.

What happened

The details of this complaint are well known so I won't repeat them again here . Instead I will focus on giving the reason 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:-

- I appreciate it must have been stressful for Miss S to have been involved in a car accident. I have listened to the call she made to Moneybarn the day after the accident. Although Miss S told us Moneybarn advised her to stop her direct debit payments it did not do so in that phone call. And I have seen no other evidence that it did. So, as Miss S chose not to make one of the payments she was obliged to make under her agreement , I don't think Moneybarn were wrong to record the missed payment on Miss S's credit file
- Moneybarn has accepted its customer service was poor with long wait times, calls not being returned and an early settlement form not being sent as promised. Overall is concluded it didn't handle Miss S's complaint in a timely manner and I would agree with that.
- I have noted from the final response letter that Moneybarn made a payment of £50 to Miss S to reflect the customer service. In addition, it concluded that if it had handled her complaint more quickly Miss S might have resolved the arrears on her account sooner. To recognise this, it removed the adverse data due to the missed payment on Miss S's credit file. And credited her account with £182.41 to clear the arrears on the account. I think that was a reasonable response in acknowledgement of not handling her complaint in a timely manner.
- I appreciate Miss S's personal circumstances and the stress she has told us this situation caused her, but I can't agree that it's reasonable to ask Moneybarn to pay additional compensation. There is no evidence Moneybarn told Miss M to cancel her direct debit payment which is what led to the adverse data on her credit file. I think the £50 Moneybarn initially gave Miss M and the £182.41 it credited to her account is reasonable compensation for the distress and inconvenience caused.

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 Miss S to accept or reject my decision before 16 December 2022.

Bridget Makins
Ombudsman