

The complaint

Miss G complains that Black Horse Limited, who I'll call "Black Horse", failed to credit a payment to her account.

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 know it will disappoint Miss G, but I think the offer Black Horse have made to settle this complaint since it was referred to this Service, is reasonable.

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.

Miss G acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it, but not the delays Miss G experienced receiving the results of her subject access request.

Miss G complained to Black Horse in November 2022. She said she had made a payment towards her account, and she provided a bank statement showing the payment and gave Black Horse the payment authorisation code, later that month.

It wasn't until March 2023 that Black Horse were able to locate the funds and apply them to Miss G's balance.

I think it's clear Miss G will have experienced distress and inconvenience whilst waiting for Black Horse to find the funds and allocate them to her account. It seems clear that Black Horse had all the information they needed to do so in November 2022. Miss G has explained that as she couldn't be sure any future payments would be received by Black Horse she stopped making payments towards her account and she's concerned about the impact that will have on her credit file.

Putting things right

Black Horse have now agreed to pay Miss G £450 in compensation for the distress and inconvenience she's experienced, and I think that's sufficient.

I can understand that Miss G will have been anxious about the missed payment, and I've read that she's experienced mental health problems that she says Black Horse were aware of. Miss G has also explained that she keeps a very close eye on her finances, and it would clearly have been frustrating for her to have known she'd made a payment but for Black Horse not to have acknowledged it. I do think, however, that when taking all of the circumstances into account, £450 is sufficient compensation.

I've considered whether to tell Black Horse to remove any missed payments they may have reported to Miss G's credit file in relation to the subsequent payments that have become due on the account, but I don't think that would be reasonable. That's because Black Horse have an obligation to report Miss G's performance on her account accurately to the credit reference agencies and it was Miss G's decision not to make any further payments.

My final decision

For the reasons I've given above I uphold this complaint and tell Black Horse to pay Miss G £450 to compensate her for the distress and inconvenience caused. They should also ensure that no missed payment has been reported to the credit reference agencies with regard to the "lost" transaction, but not with regard to any subsequent missed payments.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 30 June 2023.

Phillip McMahon
Ombudsman