

## **The complaint**

Miss L complains Evergreen Finance Limited London trading as MoneyBoat.co.uk (MoneyBoat) harassed her after she told MoneyBoat she was having problems repaying the loan as well having personal problems.

## **What happened**

Although this is not an unaffordable lending complaint, this complaint stems from a £400 loan that Miss L was provided with in April 2022. This loan was due to be repaid in six instalments. However, based on a statement of account provided by MoneyBoat, as of March 2023, only one payment of £99.45 has been made in May 2022. An outstanding balance remains due.

I've provided a timeline as to what has happened with various messages and what MoneyBoat knew and at what point in time, and then what it did with that information. This information is drawn both from the screen shots Miss L has provided but also from MoneyBoat's contact notes. I also haven't gone into too much detail about what was discussed as both parties are aware of what was said and I have kept it brief to protect Miss L's privacy. But I assure Miss L that I have read everything provided.

I can see that after the May 2022 payment wasn't made MoneyBoat attempted to call Miss L three times over the course of three days, these calls were in the morning and not successful. On 23 May 2022 Miss L says she was being harassed by the calls and text messages and was in hospital.

Miss L asked that the payment date be moved to the following Monday and MoneyBoat agreed to this. When this payment wasn't made, MoneyBoat started to message Miss L again, from 30 May 2022. Calls and messages aren't made every day and it does seem MoneyBoat was trying to establish contact to find out when payment will be made.

On 13 June 2022 Miss L responded to one of MoneyBoat's generic messages to say she had been in and out of hospital and was currently waiting on a diagnosis which should come through by the end of June 2022. She also explained she was struggling with her mental health.

MoneyBoat then sent its generic chaser text messages to Miss L most days until 16 June 2022 when Miss L raised a complaint with it because she was being harassed and MoneyBoat hadn't taken account of her mental health problems she'd explained about a few days before.

I can see on 20 June 2022 within MoneyBoat's system it was noted that Miss L was having some mental health struggles.

Between 28 to 30 June 2022 further messages were received by Miss L and she responded with details about her health. Miss L asked for the contact to stop and she explained how these messages were not helping her. Miss L reiterated to MoneyBoat that she was self-employed and so as she wasn't working, she wasn't being paid.

On 7 July 2022 while her complaint was ongoing Miss L asks for a repayment plan.

13 July 2022, MoneyBoat messages Miss L to see how she was getting on because interest was being added to her balance due to her not paying. However, on this date, Miss L's mother provided MoneyBoat with an update on her mental health and that she is currently in hospital as a result of the contact she's had from MoneyBoat. MoneyBoat messaged Miss L explaining that if her mother is contacting it, she'll need to be added to her account as a third party.

On 27 July 2022 Miss L further reiterated the contact was having an impact on her health and then on 8 August 2022 she offered another repayment plan. I can then see from August 2022 contact does reduce to an email or text message being sent once every two weeks letting her know the account is in arrears.

Following Miss L's complaint, MoneyBoat issued a final response letter (FRL) dealing with the complaint on 18 July 2022 in which it didn't uphold her complaint. MoneyBoat says that initially it was told Miss L was in hospital and it therefore moved the repayment that was due at the end of May 2022.

It says the payment wasn't made and it didn't hear from Miss L again until 13 June 2022 when it was told Miss L had been in hospital and it asked her to contact it to discuss setting up a repayment plan.

MoneyBoat says it did continue to contact Miss L because the account was in arrears, no payments had been made and no repayment plan had been put in place. So, it doesn't believe that it has harassed Miss L. And it also doesn't agree that it sent messages to Miss L's workplace because it didn't have any work contact details.

Overall, MoneyBoat believed it had acted correctly and in an appropriate manner. At this point it explained collection activity would carry on unless or until it could discuss the repayment options with her.

Unhappy with this response, Miss L referred the complaint to the Financial Ombudsman at which point she reiterated that despite MoneyBoat knowing about her mental health problems it was continuing to contact her about the balance.

Later on, Miss L told us that she had tried to set up a payment arrangement but MoneyBoat kept contacting her and threatening her. She also explained at this point that she was seeking to claim a benefit to help her.

The case was considered by an adjudicator who upheld it. He said, that MoneyBoat was aware of Miss L's personal situation – which included hospital stays and details of her health, yet it continued to send automated messages.

Our adjudicator also couldn't see that there was any further help or assistance offered to Miss L when MoneyBoat knew she was in a vulnerable position, and he was satisfied that the repeated automated messages made an already difficult situation worse for Miss L.

Finally, the adjudicator concluded that he didn't believe Miss L's situation would improve, so in order to put things right, he recommended that MoneyBoat write off the outstanding balance that was owed to it.

Miss L responded to the assessment saying:

- She had recently had a number of family bereavements.
- Her health has been deteriorating.
- Miss L is still receiving threatening messages from MoneyBoat.
- She is also concerned because her mother replied to MoneyBoat on two occasions while she was in hospital and MoneyBoat continued to message the phone despite it knowing her phone was with a third party.
- Miss L reiterated that she was self-employed and she had to take two weeks off as unpaid work due to the worry that MoneyBoat was causing.

Later on, Miss L told us that she had sought help from a well-known charity which offers guidance to people who need mental health support.

MoneyBoat didn't agree with the adjudicator's assessment, and I've summarised its response below.

- MoneyBoat hasn't received any information or evidence from Miss L about her current circumstances to substantiate all she's said.
- Miss L has made further loan applications to MoneyBoat – the most recent of these was in April 2023 – in which she has provided information about her income and expenditure.
- MoneyBoat reiterated that it can't leave an account in arrears with no payments and no action being taken. It has reached out to Miss L but hasn't received any information.

As no agreement had been reached on progressing Miss L's complaint, the case was passed to me to resolve.

I then issued my provisional decision explaining the reasons why I was intending to uphold Miss L's complaint in part. And my planned resolution wasn't to include that instead of writing off the loan balance – as there was no evidence of Miss L's current financial situation, I felt an award for the trouble and upset was reasonable – and recommended a payment of £500.

Both parties were asked to provide any further information and comments as soon as possible, but in any event, no later than 26 May 2023.

MoneyBoat acknowledged the provisional decision but didn't have anything further to add.

Miss L responded and I've read in full what she said, but I've summarised what she said below:

- She hadn't made further loan applications.
- Miss L is concerned about dealing with MoneyBoat and she provided some further details about her deteriorating health.
- Miss L doesn't want any further contact with MoneyBoat because it says this causes her stress which she has been told to avoid.

The adjudicator put Miss L's comments to MoneyBoat – it responded to say that it had reached out to Miss L at the time but had not received a response back.

A copy of the provisional findings follows this below in italics and forms part of this final decision.

**What I said in my provisional decision:**

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*I want to start by saying I sorry to hear about Miss L's mental health problems. As I've said, I'm not gone into too much detail about and MoneyBoat has been told much the same as we have up to the point the complaint was referred here.*

*In saying that, I can quite understand, to begin with why MoneyBoat was contacting Miss L. She had a loan agreement that needed to be paid and Miss L had missed payments. So, I do think MoneyBoat was well within its rights to contact Miss L to firstly let her know she'd missed a payment and then to ask how she was going to bring the account up to date. This was and is entirely reasonably. I've checked the times and dates of the messages and while sometimes there were more than one message per day, these weren't sent at unreasonable times. And while, Miss L may have thought that this initial contact constituted harassment I can't agree given what MoneyBoat was doing and what it knew about Miss L's situation.*

*However, from the end of June 2022, MoneyBoat at the latest was on notice that firstly, Miss L was having health problems and secondly, the impact that the chaser text messages and emails were having on her health. On a number of occasions Miss L explained the impact to it.*

*Now, I do understand why MoneyBoat was sending those messages, as I've said the account was in arrears and it was – to some extent trying to get the payments back on track. But clearly this wasn't an option for Miss L at the time. And to me it doesn't seem that it adjusted or changed its communication strategy with Miss L despite being told about her health. It just carried out as it would ordinarily do – there appears to have been no attempt to consider whether constantly sending messages was the right course of action for it to take in the circumstances.*

*MoneyBoat ought to have by the end of June 2022 recognised that Miss L was a vulnerable customer and that the Financial Conduct Authority has clear guidance and offers practical support to business in its 'Guidance for firms on the fair treatment of vulnerable customers'. To me it doesn't appear that any adjustments or changes were made to the way MoneyBoat communicated with Miss L after being given information about her health. Indeed, section 4.29 of the guidance, which I've outlined below indicates the consequences of not getting the service needs correct. Clearly in my view this hasn't happened and has in my view increased the distress that Miss L was caused.*

*"Customer service 4.29 Vulnerable consumers are more likely to have different service needs. For example, they may find some channels of communication challenging or stressful or need more time to understand information and make decisions. If firms do not ensure their customer service provision meets the needs of vulnerable consumers, they can exacerbate the risk of harm from being vulnerable. For example, unresponsive or inflexible customer service can increase the stress and confusion a consumer may suffer when already dealing with unexpected or challenging life events."*

*To further reinforce what I've said, even after being told about Miss L's health problems the FRL was issued and didn't appear to acknowledge what it had been told just days before or offered any alternative guidance or support beyond saying that there is a loan that needs to be paid.*

*Finally, I've thought about what Miss L says about a possible data protection breach, but ultimately MoneyBoat was sending text messages to a mobile number that her mother had access to, although the number belonged to Miss L at the point of the application was made. While I accept Miss L's mother updating MoneyBoat about Miss L's current health, I don't think MoneyBoat's response was unreasonable. Indeed, as far as I can see there hasn't been any further evidence provided to Miss L about either her current financial position or her current health condition. So given that the right off, in my view is arguably too much.*

*So, I have had to think about what MoneyBoat does to put things right for Miss L. I disagree with the adjudicator in this case, in terms of what MoneyBoat needs to do in order to put things right. And I say that because in order to be satisfied that a total write-off of the debt is justified, I'd need to have seen some evidence to substantiate the history Miss L has described. And I'd need to see that Miss L was having current money troubles that were unlikely to be alleviated in the future. This will need to be discussed with MoneyBoat and Miss L may wish to ask a family member, friend or a third-party organisation to assist her with this.*

*MoneyBoat has also explained that Miss L is continually applying to it for additional loans with relatively healthy income and expenditure figures - it has told us. And so that indication from MoneyBoat suggests that Miss L may be able to afford this debt. In which case it would need to be paid.*

*But it is clear, the method and regular nature of the contact had an impact on Miss L and clearly made what was already a difficult situation even more tricky and stressful for her. I am therefore proposing that MoneyBoat makes a payment to her of £500.*

*Miss L has also said that she recently had to take time off work – I believe this was in March 2023, but while no evidence has been provided of this I can't fairly come to an outcome about this. But MoneyBoat has said that contact has been suspended while the complaint is being reviewed at the Financial Ombudsman Service.*

### **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.

So, I've reached the same conclusions I reached before, for the same reasons and I've outlined below what MoneyBoat should do to put things right for Miss L.

I've thought about Miss L's comments, but I do think the award that I am proposing is fair and reasonable in this case, because it reflects the trouble and upset that was clearly caused to her by MoneyBoat not adapting or adjusting to the information she was providing to it about her vulnerability.

I'm sorry to hear about Miss L's deteriorating health and why she is worried about engaging with MoneyBoat. But the loan is currently outstanding and so she may wish to approach MoneyBoat (or ask a representative to do so on her behalf) and provide it with further details about her health. I say this because MoneyBoat will need to react and consider what the most appropriate course of action is – which may or may not include writing the balance off – but to be clear I make no direction as to whether MoneyBoat needs to do this.

An outstanding balance is still due to MoneyBoat and I would urge Miss L to engage with it to discuss a way forward. But I would remind MoneyBoat of its regulatory obligation to treat Miss L fairly in any dealings with her – and it does, need to keep all available forbearance options open.

### **Putting things right**

I am satisfied for the reasons I've outlined above that after being told about Miss L's health problems MoneyBoat didn't react or adjust its communication with Miss L and that communication with Miss L was clearly compounding what was already a difficult situation for her. Therefore, in order to put things right, MoneyBoat should do the following:

- Pay directly to Miss L £500 compensation for the trouble and upset caused.

**My final decision**

For the reasons I've explained above and in the provisional decision, I'm upholding Miss L's complaint in part.

Evergreen Finance Limited London trading as MoneyBoat.co.uk should put things right for Miss L as directed above.

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

Robert Walker  
**Ombudsman**