

The complaint

Miss H has complained that Healthcare Finance Limited, through its agent, continued to take monthly repayments from her account, even though the loan had been fully repaid.

What happened

Miss H had a loan with Healthcare Finance, which she repaid in full. However, its agent mistakenly took a further four repayments from her account.

One of our investigators looked into what had happened. He could see that Healthcare Finance accepts a mistake was made, and has refunded the overpayments. However, he also thought it should pay Miss H £50 for the trouble and upset caused.

Healthcare Finance disagreed. Its agent said the payments were taken by direct debit, and there was no way for it to know that this remained active through its payments provider, as its system clearly showed the loan as being repaid.

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 agree with our investigator. The facts aren't in dispute, and I'm pleased to see that the overpayments have been refunded.

However, I also agree that £50 compensation is fair. The matter was resolved quickly, but it still caused Miss H some trouble and upset. The agent's lack of knowledge about the direct debit continuing is a matter for it/Healthcare Finance and its payments provider to resolve, and shouldn't affect the outcome for Miss H.

Putting things right

To put things right, Healthcare Finance should pay Miss H £50 compensation for the trouble and upset caused.

My final decision

It's my final decision that Healthcare Finance Limited must pay Miss H £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 21 March 2024.

Elspeth Wood
Ombudsman