

The complaint

Mr M took out a personal loan with Chetwood Financial Limited, trading as Better Borrow. He is complaining about a scheduled payment not being taken on the expected date.

What happened

In October 2021 Mr M entered into a fixed sum loan agreement with Better Borrow.

On 8 August 2023, as a result of a technical issue arising, Better Borrow wasn't able to take the scheduled monthly payment by way of direct debit. Better Borrow notified Mr M about the same day and said the payment would be taken before 11 August 2023.

Mr M tried to contact Better Borrow when he was informed of this but was unable to do so.

The payment for the usual amount was taken out of Mr M's nominated account on 11 August 2023.

Mr M complained about what had happened. He said that it meant the management of his finances had been *"thrown off course"* as a result. He feels that Better Borrow was wrong to change his direct debit date without his consent. He also says that in making it difficult for him to contact them, Better Borrow denied him a proper level of service.

Better Borrow, having looked into the complaint, accepted that there'd been a problem with Mr M contacting them and offered him £20 as compensation.

Our investigator thought this was a fair outcome. But as Mr M remains unhappy with, his complaint has been passed to me 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.

Better Borrow will be familiar with all the rules, regulations and good industry practice we consider when looking at a complaint concerning unaffordable and irresponsible lending. So, I don't consider it necessary to set all of this out in this decision. Information about our approach to these complaints is set out on our website.

Better Borrow explained to Mr M that it hadn't been able to take the payment due to a technical error. It also said it intended to take the payment by 11 August 2023, which it did. It also apologised that Mr M had been unable to contact any of its representatives using its chat facility. Finally, Better Borrow confirmed that Mr M's credit file wouldn't be affected by what had happened.

Mr M told us that he considers it was up to Better Borrow to keep to the agreed payment date. I agree with this in principle, but as our investigator has said, this was a one-off

technical issue that appears to have been unavoidable. And I am satisfied that Better Borrow has provided enough information about what happened.

It's understandable for Mr M to have been frustrated about not being able to contact Better Borrow. I anticipate that many customers were similarly trying to reach Better Borrow that day due to the technical error and so it wouldn't be surprising for Mr M to have experienced difficulties trying to get in touch with them.

However, Better Borrow *did* contact him on the day of the error to let him know that his direct debit wasn't going to be taken. I think, given the nature of the circumstances, that was the right thing to do and I wouldn't have expected it to do more. And I think that in this situation, with a one-off change to the direct debit due to a technical error, Better Borrow followed the direct debit mandate by taking the funds three days later. I've seen that Mr M pointed out that Better Borrow suggested the funds could be taken sooner but this isn't in fact what happened.

Mr M says that he manages his money by using multiple accounts and moves funds around between them. I fully appreciate that Mr M handles his finances in a particular way that suits him. I can also see that not having the direct debit taken as anticipated might have caused him a level of inconvenience and some concern. But the position remains that Mr M's funds were ready for the anticipated payment – so he wasn't out of pocket – which was in any event taken three days later.

So, aside from the difficulties he experienced in not being able to contact Better Borrow, I can't say that he has suffered any other material loss as a result.

It follows that, having looked carefully at everything I've seen about this complaint, I don't think Better Borrow has acted unfairly. And I think the offer of £20 compensation it has made is fair and reasonable in all the circumstances.

I'm sorry to have to disappoint Mr M on this occasion.

My final decision

For the reasons given above, I don't uphold this complaint. I don't require Chetwood Financial Limited, trading as Better Borrow, to do anything more, other than to pay Mr M the £20 it has offered him if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 April 2024.

Michael Goldberg
Ombudsman