

## **The complaint**

Mr S complains about the service he received from Fintern Ltd, trading as Abound Loans ("Abound").

## **What happened**

Mr S complained to Abound about several issues. In particular he was concerned that a payment from his account was taken twice, and that the business didn't give him rights to refer his complaint to this Service.

Abound accepted they had made some mistakes and they offered Mr S £100 to compensate him for the distress and inconvenience caused. Our investigator considered all of the issues Mr S had experienced. It was her opinion that the compensation should be increased to £175.

Abound didn't agree. They said they may have been prepared to negotiate a higher settlement with Mr S, but he didn't give them a chance and instead raised the issue with our Service. They thought it unreasonable that Mr S would accept their £100 offer but then refer it to us anyway. They asked for a final decision by an ombudsman.

## **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 agree with the investigator's opinion. I'll explain why.

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.

I've considered all of the issues Abound reviewed in their final response letter of 19 August 2023. For practical purposes I won't refer to all of those issues, but I have taken them into account.

Abound did make mistakes here that I think would have caused Mr S some distress and inconvenience. For instance, they duplicated a payment by accident and as a result they sent Mr S a text suggesting he was in arrears when he was not. Their explanation of his rights to refer matters to this Service could have been better, and there was an IT issue with the removal of an account.

But, in mitigation, I can see that the duplicated payment was refunded within 24 hours, the arrears message was related to that duplication and was explained to Mr S in quick time, the

IT issues were resolved, and correspondence did confirm Mr S's referral rights. There was also a concern that a soft search had been performed on Mr S's credit file, but the business did explain that that was usual in order to keep information up to date and I've not seen evidence it impacted Mr S's credit score.

Overall, I think compensation of £175 is more appropriate given the issues Mr S has experienced. While I understand Abound's concerns about acceptance of their offer I don't think all of the issues were resolved to enable Mr S to make a decision about whether to refer a complaint to this Service. I can see, for instance, that he was still awaiting a call record. Abound say they would have been prepared to negotiate a more suitable settlement, but their *final* response suggested otherwise and I don't think compensation should be a matter of negotiation.

### **My final decision**

For the reasons I've given above, I uphold this complaint and tell Fintern Ltd to pay Mr S £175 to compensate him for the distress and inconvenience caused. They can deduct £100 if that has already been paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 July 2024.

Phillip McMahon  
**Ombudsman**