

## The complaint

A company, which I'll refer to as T, complain that it received poor service from EPOS NOW (UK) LTD (Epos Now). In particular, T says Epos Now failed to properly record its transactions and delayed handing over payments to which it was entitled.

In bringing this complaint, T is represented by its director, who I'll refer to as Mr V

## What happened

In October 2022, T entered into an agreement (the Agreement) with Epos Now to provide card payment services on behalf of its card paying customers. According to Mr V, after the Agreement was successfully up and running, Epos Now would generally process its payments within two to three days and pay them into its account (the Account). However, he's told us that, in September 2023, things began to go wrong.

Mr V said:

- In September 2023, he noticed that the statement for the Account was inaccurate because various transactions didn't appear on it. In particular, certain transactions that took place between 15 and 28 September 2023, albeit T did later receive the value of those transactions.
- Subsequent statements had similar gaps, which he drew to Epos Now's attention.
- In October 2023, there were further problems. A payment of £14,530 from a customer should have been received on 13 October 2023. But it didn't arrive. And because he was away at the time, he didn't notice what had happened until his return towards the end of October. He contacted Epos Now on or around 25 or 26 October 2023 and they looked into things. Afterwards, on 27 October 2023 T received the payment.
- These errors were unnecessary and stressful for him because of the uncertainties they'd generated. And to try and resolve matters, he had to take time away from running the business.
- Epos Now should pay compensation and, for the months affected, reissue accurate statements in connection with the Account.

Epos Now told us that:

- The issues T complained about were caused by a glitch in their systems which has since been rectified. However, T lost no payments as a result of the glitch.
- The October 2023 payment to T was delayed, although as soon as they were notified it hadn't been received, within two days, this was put right.

- Overall T suffered no financial loss arising from the events that occurred.
- Customers affected by the glitch have had their statements corrected.

But T's complaint remained unresolved. So, Mr V referred it to this service to look into.

Our investigator upheld the complaint and recommended that Epos Now pay T £150 in compensation. She gave the following reasons for her recommendation:

- She accepted Epos Now's submission that the discrepancy on T's statement was caused by a systems glitch.
- And she noted Epos Now's acknowledgement that there was a delay in T's October payment being received. But she didn't think that delay caused any financial loss to T. Especially because as soon as the lack of payment was raised with Epos Now, they made it within two days.
- Nonetheless, she believed T was inconvenienced by the events complained about. Not least because Mr V had to contact Epos Now to put things right and furthermore, T had then to take steps to ensure all its payments reconciled.
- She believed the £150 she recommended was in line with the sums our service would award in the circumstances of this case.

Epos Now accepted the investigator's recommendation. But I note around the same time, there were subsequent exchanges of correspondence between our service and both parties aimed at establishing whether T's statements had been amended. In particular, in light of Epos Now's submission this had been done in respect of all affected customers.

Mr V told us this hadn't occurred in respect of T. And when told of this position, in turn Epos Now said they will use best endeavours to produce the amended statements as soon as they can.

In any event on T's behalf, Mr V has asked for an ombudsman to review the matter. Mr V said Epos Now have provided no clear explanation about what actually went wrong in the circumstances of T's case. And he again drew attention to the two-week delay in T receiving the £14,530 October 2023 payment, which he believed was unacceptable.

Also, he didn't think the £150 compensation went far enough. This was on the basis that he didn't believe it properly accounted for the time he was diverted away from running T because he had to deal with Epos Now's errors. He felt the imposition of a fine on Epos Now might also be appropriate.

### **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've reached the same overall conclusion as the investigator and for broadly the same reasons.

I start by acknowledging Mr V's desire to know what exactly happened in this case beyond Epos Now's testimony that there was a glitch in their systems. But at the risk of disappointing

Mr V, I have not made any findings on that issue. That's because I don't think I need to make a finding on the precise nature of the problem with Epos Now's systems that caused things to go wrong. Both parties agree there were systems failures on Epos Now's part. And I'm satisfied that this resulted in the poor service that ultimately T received.

As well as compensation, Mr V has said that for the months affected, Epos Now need to replace the inaccurate statements for the Account with accurate ones. I don't think that's an unreasonable request. And I'm pleased to see that Epos Now have agreed to do so.

In light of this, all I need to do is decide the impact of Epos Now's poor service in relation to T and what would be fair compensation for that impact.

I've noted Mr V doesn't think the award recommended by the investigator is enough and so, I've thought about that.

Epos Now have argued T hasn't suffered any financial loss as a result of their poor service. And having considered T's case, I agree. In other words, I'm not persuaded Epos Now's poor service caused T to suffer any financial loss for which compensation aimed at addressing that loss would be an appropriate remedy here.

Next, I considered whether T has been inconvenienced. I'm satisfied it has and I agree with the investigator that T should be compensated for that inconvenience.

But determining an appropriate award for inconvenience can be difficult. Our investigator has correctly explained such awards are not intended to be punitive for the relevant financial business. Unlike the industry regulator, the Financial Conduct Authority (FCA) we have no power to fine financial businesses for their poor service.

I note Mr V's testimony regarding the personal impact of these events on him – especially the stress he had to endure.

I sympathise with Mr V in that regard. However, because this complaint has been brought to this service in the name of T, the limited company – which is the eligible complainant in this instance, as per the rules by which this service must abide – I can only consider how the impact of the events in question may have affected T. I'm unable to consider any impact that Mr V may have experienced himself in a personal capacity.

But Mr V has also told us Epos Now's poor service impacted his ability to run T. And I agree that in circumstances where a limited company's director is taken away from the running of the company, this can inconvenience the company.

In the circumstances of this case, I can see that Mr V did have to enter into correspondence with Epos Now to put right their errors when otherwise he might have been running T.

He's also correctly pointed out that T's October 2023 payment was late in coming – taking around 11 days. And that would have impacted T also. But I also note Mr V's submission that this late payment might have had a far greater impact were it not for T's reserves. And I take into account that as soon as Mr V realised the payment hadn't been received, and he reported it to Epos Now, the payment was made within a couple of days.

Against that background and having regard also to the general framework which this service considers when arriving at compensation for inconvenience – further details of which can be found on this service's website, I'm satisfied that a total compensation of £150, is a fair amount.

## **Putting things right**

I'm satisfied T is entitled to receive and Epos Now should deliver an accurate statement for the Account for September 2023 and for any other months where the glitch Epos Now identified led to the generation of other inaccurate statements.

However, on the question of compensation, for the same reasons the investigator gave, I'm satisfied that the £150 compensation she recommended fairly reflects the impact on T of the issues raised in this case. I therefore think it is a fair way to resolve T's complaint. It follows therefore that I haven't been persuaded to increase the award further.

## **My final decision**

My final decision is I uphold this complaint and direct EPOS NOW (UK) LTD to settle it as follows:

- Pay T £150 in compensation for the inconvenience caused to T.
- Within four weeks of the date of this final decision, identify all statements relating to the Account that were impacted by their technical glitch and send fresh statements to T that accurately show all its transactions.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 6 December 2024.

Asher Gordon  
**Ombudsman**