

## **The complaint**

Mr A complains about the way Moneybarn No. 1 Limited (Moneybarn) responded to his request to move his payment date.

## **What happened**

I issued my provisional decision on this complaint last month. An extract from that provisional decision is set out below.

*In December 2021 Mr A took receipt of a used car. He financed the deal through a conditional sale agreement with Moneybarn.*

*In April 2024 he asked Moneybarn to change the date payments were taken, from the sixth of the month, to the eleventh. Moneybarn sent him a letter and an email to confirm they had done that, and that the next payment would be taken on 11 May 2024. Mr A was, therefore, surprised to find they debited the payment on 6 May 2024 and that a further payment was requested on 11 May 2024.*

*Moneybarn didn't think they'd done anything wrong. They explained that there were limits as to how far they could move repayment dates and that rather than move the May payment, they had brought the June payment forward.*

*Mr A referred his complaint to this service, but our investigator didn't think Moneybarn had been unreasonable.*

*Mr A, therefore, asked for a decision by an ombudsman.*

## **What I've provisionally 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.*

*When Mr A asked to move his payment date, he received an email from Moneybarn who explained:*

*"We're sending you this email to confirm we've changed your Direct Debit collection date, as requested by you using your My Moneybarn customer account.*

*You've changed the Direct Debit date for your regular monthly instalments, which means your payments will now be collected on the 11th day of the month.*

*Your new collection date will take effect for the payment now due to be collected on 06/05/2024."*

*I think it would have been clear to Mr A that the next payment that was due on 6 May 2024 would now be collected on 11 May 2024 as he had requested. Indeed, the letter Moneybarn*

*subsequently sent to Mr A on 9 April 2024 confirmed that, and explained that the date of collection would be 11 May 2024.*

*Moneybarn didn't explain that the June 2024 payment was being brought forward. It may well be the case that it was not possible to move the collection date back but that's not what Mr A appears to have been told until he called the business to complain.*

*In those circumstances, I think Moneybarn should put things right for Mr A as I don't think he would have changed the date had they explained it would result in him being asked to make two payments in such quick succession.*

*Moneybarn should restore the original payment date of the sixth of the month and they should revise the account as if the change of payment date was never applied. Reviewing the account statement I have seen for the end of June 2024 that would mean that Mr A's account was up to date, with no arrears. They should consult with Mr A first to ensure that the sixth is the most appropriate payment date. If it isn't it should be moved, but I accept it may only be moved within the parameters that Moneybarn would normally apply (system notes suggest that is 21 days forward or 10 days back).*

*If Moneybarn have reported arrears to Mr A's credit file since April 2024, that relate to this issue, they should remove them as they wouldn't be a fair reflection of his account performance.*

*I think Mr A has experienced distress and inconvenience as a result of Moneybarn's actions. It would have been distressing to discover two payments were due in quick succession; Mr A has explained that he works for a bank and that they would look dimly on any adverse credit file entries and Mr A has had to escalate a complaint to this service when I think it reasonable to suggest his complaint should have been cleared up earlier. In those circumstances, I think Moneybarn should pay him £200 in compensation.*

### ***My provisional decision***

*For the reasons I've given above, I'm expecting to uphold this complaint and tell Moneybarn No. 1 Limited to:*

- *Restore the original payment date of the sixth of the month and revise the account as if the change of payment date was never applied. They should consult with Mr A first to ensure that the sixth is the most appropriate payment date. If it isn't it should be moved, but only within the parameters that Moneybarn would normally apply.*
- *Remove any adverse reports they may have made to the credit reference agencies that relate to this issue.*
- *Pay Mr A £200 to compensate him for the distress and inconvenience caused.*

### **The parties responses to my provisional decision.**

Mr A didn't respond and Moneybarn had nothing further to add.

### **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.

As neither party provided any further evidence or comments I have found no reason to change my provisional decision. My provisional decision, therefore, becomes my final decision on this complaint.

## **My final decision**

For the reasons I've given above, I uphold this complaint and tell Moneybarn No. 1 Limited to:

- Restore the original payment date of the sixth of the month and revise the account as if the change of payment date was never applied. They should consult with Mr A first to ensure that the sixth is the most appropriate payment date. If it isn't it should be moved, but only within the parameters that Moneybarn would normally apply.
- Remove any adverse reports they may have made to the credit reference agencies that relate to this issue.
- Pay Mr A £200 to compensate him for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 6 January 2025.

Phillip McMahon  
**Ombudsman**