

The complaint

Mr M complains that Salary Finance Limited took duplicate direct debits from his account and also about its process for notification of a new address.

What happened

Mr M says that Salary Finance took two payments of £199.34 when only one was due. He says he was told it would take 3-5 days to refund, but that he needed the money sooner than that so had to contact his bank for a remedy. Mr M adds that he was going through a traumatic time and had to move to a different country and Salary Finance also made it difficult to change his address. He says the issues added to the stress of the situation.

Salary Finance apologised for the wait time Mr M experienced when he called to try to change his address. It explained that its process requires customers to make contact and provide proof of address. Salary Finance added that a technical fault caused the double payment and, although it initiated a refund, it acknowledged that Mr M managed to stop the payment via his bank. It also apologised for the inconvenience.

Our investigator recommended the complaint should be upheld. With regard to the address change, he explained that this service cannot instruct a business to change its processes. However, he acknowledged that the issue with the direct debit caused additional stress and inconvenience to Mr M at an already stressful time. He recommended compensation of £50 for this.

Salary Finance accepted the investigator's recommendation.

Mr M responded to say, in summary, that the response doesn't wholly reflect the real impact of the time involved and the worry about his financial standing with other creditors should he not be able to pay them.

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 our investigator has explained, this service does not have the power to ask a business to change its processes so, although I understand Mr M's frustrations, I can't conclude Salary Finance did anything wrong when it followed its own processes for changing Mr M's address.

With regard to the duplicated direct debit, I can't see Mr M has suffered a financial loss as a result of Salary Finance's error. It is clear that Mr M was concerned about the possible

impact of the mistake on his other creditors, but I can't make an award for potential financial loss.

I do accept, however, that Mr M spent time mitigating the impact of the error and I acknowledge that this was already a very stressful time for him. But I find £50 is fair compensation for this in all the circumstances and is in line with this service's usual awards in this area.

Finally, I have spent some time looking at the further evidence Mr M has sent with regard to the ongoing impact of the direct debit issue. I have considered the 50+ pages of emails and screenshots, but I find these issues have been the subject of two further complaints, to which Salary Finance has responded with two additional Final Response letters. If Mr M remains dissatisfied with Salary Finance's further awards totalling £90, then he will need to also refer these follow-up complaints to this service for separate consideration.

My final decision

My decision is that I uphold this complaint. Salary Finance Limited should pay Mr M £50 for the stress and inconvenience it caused him, as it has agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 February 2025.

Amanda Williams
Ombudsman