

The complaint

Mr H is unhappy with how ONMO Limited have maintained their mobile banking app which he feels has affected his ability to make payments to his account. Mr H is also unhappy with the service he has received from ONMO surrounding this matter.

What happened

Mr H holds a credit card account with ONMO. Mr H made the contractually required monthly payments to his ONMO account using ONMO's mobile banking app. However, in December 2023, Mr H started to experience problems when using ONMO's app that affected his ability to make payments to his account via that app.

In May 2024, Mr H sent a series of emails to ONMO which explained that he was unable to make payments to his account because the app wasn't working properly. ONMO apologised for what was happening and explained that if Mr H was having difficulty making payments via the app, he could set up a direct debit to make the minimum monthly payment instead. In response, Mr H explained that paying by direct debit wasn't an idea for him but that he would consider it.

Following this, Mr H messaged ONMO in August 2024 because he was again unable to make payments to his account via the app. Mr H was frustrated that ONMO didn't respond to his message in a timely manner, and that they then reported a missed payment to his credit file. Mr H messaged ONMO about this but again didn't receive a response. Mr H wasn't happy about what was happening and continued to be unable to make payments to his account, for which he incurred late payment fees and which ONMO reported as missed payments to his credit file. So, he raised a complaint.

ONMO responded to Mr H and acknowledged that they hadn't communicated with him to a fair standard. ONMO apologised to Mr H for this and paid £40 to him as compensation for any trouble or frustration this may have caused. ONMO also agreed to remove some adverse reporting from Mr H's credit file, but noted that Mr H's account remained in arrears, which would be reported to Mr H's credit file moving forwards unless Mr H made a payment to clear those outstanding arrears. Mr H wasn't satisfied with ONMO's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. They didn't feel that ONMO were acting unfairly by making accurate reports to Mr H's credit file, or by charging late payment fees when Mr H didn't make monthly payments to his ONMO account.

But they did feel that ONMO had provided poor service to Mr H in how they'd communicated with him, and that the £40 ONMO had paid Mr H didn't fairly account for this. As a result, our investigator said that ONMO should pay a further £60 to Mr H, so that the total compensation amount was increased to £100.

ONMO accepted the recommendation put forward by our investigator, but Mr H remained dissatisfied, including with the ongoing service he was receiving from ONMO, including the fees he was being charged and the reports ONMO were making to his credit file. Mr H's

complaint was therefore escalated to an ombudsman 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.

This includes all submissions provided to this service by Mr H. These submissions include emails between Mr H and ONMO that took place after ONMO issued their formal response to his complaint on 3 December 2024. And I note that Mr H is unhappy with the ongoing service provided by ONMO since that time.

However, the rules which define the remit of this service include that we can only consider points of complaint that have previously been referred to the business being complained about – so the business has had a formal opportunity to consider and respond to those points of complaint. This means that if Mr H is dissatisfied about things that have taken place since 3 December 2024, I won't be able to consider that dissatisfaction as part of this review.

It seems to me that the main questions about Mr H's complaint is whether it was fair and reasonable for ONMO to continue to require Mr H to make payments to his ONMO account given the issues Mr H experienced with ONMO's app and the poor standard of communication he received from ONMO?

Upon consideration, I think the answer to this question is: yes – it was fair for ONMO to expect Mr H to have made monthly payments regardless of the difficulties he experienced with their app.

I say this because Mr H could have made payments to his ONMO account via direct debit, as ONMO explained to him in May 2024. Also, ONMO note that Mr H did set up a direct debit to make monthly payments in June 2024, but that every payment attempt made by ONMO using that direct debit authority has failed, due to lack of available funds.

I hope that Mr H will understand that the ongoing problem with ONMO not being able to take payment by direct debit makes me question his statement that he's had the money to make his payments to ONMO, but hasn't been able to make those payments because of the issues he's experienced with the app. And if Mr H did have money to make the required payments, I would reasonably have expected him to have ensured that money was available for ONMO to take via direct debit.

Ultimately, I feel Mr H's contractual obligation to make at least the minimum monthly payment required on his ONMO account, so that the account doesn't get behind on payments and fall into arrears, remains the main thing here. And while I appreciate that Mr H would have preferred to have made payments via the app, and not by direct debit, I feel that it was Mr H's responsibility to have met his contractual obligations and to have made payments via direct debit when he couldn't make payments via the app.

Given that Mr H didn't make the minimum payments on his account, so that his account did fall into arrears, I don't feel that ONMO have acted unfairly by applying late payment fees to his account or by reporting those missed payments to the credit reference agencies.

Regarding the poor service that Mr H received from ONMO, including the poor standard of communication, I can appreciate how Mr H would have been frustrated and inconvenienced by this. And while I feel that ONMO have moved in the right direction by acknowledging this point themselves, I don't feel that the £40 that they've paid to Mr H provides fair compensation for the impact that their poor service has had on him.

As such, I'll be upholding this aspect of Mr H's complaint and instructing ONMO to pay a further £60 to Mr H, so that the total compensation amount is £100, which I feel provides fairer recompense to Mr H for what happened.

In arriving at this compensation amount, I've considered the trouble and upset that Mr H may have incurred because of the poor service he received alongside the general framework this service uses when assessing compensation amounts, details of which are on this service's website. And, having done so, I feel that £100 is a fair compensation amount.

However, as explained previously above, I don't feel that the poor service that Mr H received from ONMO affected his responsibility to have made payments to his ONMO account in line with his contractual obligations. And, because of this, I won't be upholding the primary aspect of Mr H's complaint.

I realise this might not be the final decision that Mr H was wanting, but I hope he will understand, given what I've explained, why I've made the final decision that I have.

Putting things right

ONMO must pay a further £60 to Mr H.

My final decision

My final decision is that I uphold this complaint against ONMO Limited on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 30 July 2025.

Paul Cooper
Ombudsman