

The complaint

Mr B is unhappy with the service he received from ONMO Limited, including that they defaulted his credit account.

What happened

Mr B held a credit account with ONMO which he accessed using ONMO's mobile app. In October 2023, Mr B's mobile phone was stolen. Mr B tried to access the ONMO app using another phone, but he couldn't remember his password and he couldn't reset his password via the ONMO app. Mr B then tried to call ONMO to update his app password and find the best way to make payments to his account without access to the app, but his call wasn't answered.

Following this, Mr B didn't make monthly payments towards his ONMO account, which meant his account fell into arrears. ONMO sent letters to MR B about the position of his account in December 2023 and January and April 2024. But, because Mr O didn't make any payments towards his ONMO account for several months, ONMOA defaulted his account and transferred the account debt to a debt recovery agency.

Mr B wasn't happy that ONMO had defaulted his account and felt that he had been unable to make monthly payments towards the account because ONMO hadn't proactively contacted him about his being unable to access the ONMO app or about the arrears that had developed on his account. So, he raised a complaint.

ONMO responded to Mr B and said that they didn't feel that they'd done anything wrong regarding how they'd administered his account and noted that they had sent letters to Mr B about his account, all of which had asked Mr B to contact them. And ONMO also noted that

when Mr B had called to speak with them about the account on 3 June 2024, he hadn't been able to correctly answer ONMO's account security questions and so the call hadn't been able to proceed. Mr B wasn't satisfied with ONMO's response, so he referred his complaint to this service.

One of our investigators looked at this complaint and asked ONMO to provide their formal response to it. However, ONMO didn't provide a submission to this service that our investigator could consider, and because of this they felt they were unable to say that ONMO had followed a fair process and recommended that this complaint be upheld in Mr B's favour. ONMO didn't agree with the view of this complaint put forward by our investigator and so the matter was 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.

I issued a provisional decision on this complaint on 31 March 2025 as follows:

Since this complaint was escalated for a final decision, ONMO have provided a formal submission which I have been able to take into account. And, having done so, I don't feel that ONMO have acted unfairly towards Mr B as he contends, such that my provisional decision here is that I do not uphold this complaint.

Mr B has confirmed in his complaint to ONMO and in his submission to this service that he was aware that he had an outstanding balance on his ONMO account to which he was making monthly payments. And Mr B has said that he feels that he was prevented from making payments towards his ONMO account because he lost access to the ONMO app (because his phone was stolen) and because no one at ONMO called him about his account after an initial call he tried to make to ONMO wasn't successful.

But it was Mr B's responsibility, as the account holder, to have ensured that he made his contractually required monthly payments towards the account. And I don't feel that Mr B's responsibility in this regard was reduced or diminished in any way for the reasons Mr B has suggested.

Indeed, the obvious response to Mr B's complaint that no one at ONMO called him about his account, is that the onus was firmly and definitively on Mr B to have called ONMO back, if his first calls to ONMO, or indeed any number of subsequent calls, weren't successful.

I note that ONMO's website, in the account support page of the FAQs section, provides both an email address and a telephone number, and states that if an account holder can't access ONMO's app, they should contact ONMO by either email or telephone. And as explained above, I'm satisfied that it was Mr B's responsibility to have either sent an email to ONMO outlining his current position or to have continued to call ONMO until he was able to speak to them – neither of which Mr B has suggested that he did or attempted to do.

It therefore follows that I don't accept Mr B's argument that he wasn't reasonably able to make payments towards his ONMO account. And because of this I'm satisfied that it was fair and reasonable for ONMO to have considered Mr B's account to have fallen into arrears when he didn't make his contractually required monthly payments and to have followed the account arrears process that they did.

ONMO have also demonstrated to my satisfaction that they sent a Notice of Sums in Arrears (NOSIA) letter to Mr B on 18 December 2023, which confirmed to Mr B that which he already knew – which was that there was an outstanding balance on his account to which he hadn't been making payments.

Additionally, ONMO also sent a Notice of Default to Mr B on 17 January 2025, which explained to Mr B that his account might be defaulted unless he recovered the position of his account, as well as a further NOSIA letter on 10 April 2024. And all the letters that ONMO sent to Mr B asked him to contact them about the state of his account.

Ultimately, Mr B didn't make the monthly payments contractually required of him on his ONMO account. And I don't accept that Mr B was fairly or reasonably prevented from making his payments, for the reasons explained above. As such, I don't feel that ONMO have treated Mr B unfairly in how they've administered his account.

Finally, Mr B is unhappy with the service that he received from ONMO when he called them in June 2024. But ONMO's call notes clearly explain that Mr B didn't correctly answer the initial account security questions, which meant that the call couldn't progress. This doesn't seem unreasonable to me, and I don't feel that ONMO treated Mr B unfairly by considering him to have failed their account security process at that time.

All of which means that my provisional decision is that I don't uphold this complaint and that I won't be instructing ONMO to take any further or alternative action.

Neither Mr B nor ONMO provided any response to my provisional decision and therefore did not object to it. As such, I see no reason not to issue a final response here in line with my provisional decision above wherein I do not uphold this complaint. And I therefore confirm that my final decision is that I do not uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 13 May 2025.

Paul Cooper
Ombudsman