

The complaint

Mr H complains that ONMO Limited didn't set up a payment plan for him, resulting in interest and charges being incurred and impacting his credit file.

What happened

Mr H holds a credit card with ONMO. In October 2024 he contacted ONMO to agree a payment plan on his account. Mr H said he could afford to pay £40 per month starting in November 2024 until the arrears were cleared.

Mr H didn't receive confirmation of the plan, but he thought it had been accepted, so he has continued to pay £40 per month.

Mr H received emails about his account being over limit but says he didn't pay attention to these as he thought he was in a payment plan. In January 2025 Mr H received a Notice of Sums in Arrears and realised that interest, fees and charges were being added to his account and that a negative marker had been reported on his credit file, so he contacted ONMO and said he believed he was in a payment plan. ONMO advised Mr H that no plan had been put in place because Mr H hadn't responded to emails requesting that he complete an income and expenditure form.

Mr H complained to ONMO. He said he'd spoken to an agent via live chat in October 2024 and it had been agreed that interest and fees would be frozen on his account and that a repayment plan of £40 per month would start in November. Mr H asked for the payment plan of £40 per month to be put in place and for the interest, fees and charges to be refunded and his credit file amended.

ONMO didn't uphold the complaint. It said it couldn't find any evidence that it had agreed to set up a payment plan, and that it hadn't made any errors.

Mr H remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said there was no evidence that a payment plan had been set up in October 2024, and that because the income and expenditure form which was sent to Mr H on 29 October 2024 wasn't returned, no arrangement was put in place. The investigator said he hadn't seen any evidence that OMNO had agreed to freeze interest or charges on the account.

Mr H didn't agree. He said he'd paid £40 per month ever since he contacted OMNO in October 2024 and that this demonstrated his ability to afford this payment without the need to complete an income and expenditure form.

Because Mr H didn't agree I've been asked to review the complaint.

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 know it will disappoint Mr H, but I agree with the investigators opinion. I'll explain why.

I've reviewed the online chat dated 21 October 2024. I can see that Mr H requested to set up a payment plan on the account. I can't see that an amount of £40 was ever mentioned. The online chat agent said they would transfer Mr H's request to the relevant department and that someone would be in touch with Mr H by email to discuss the payment plan.

I can see that ONMO sent an email to Mr H on 29 October 2024 asking him to complete and income and expenditure form. The email stated that if no payment arrangement was put in place, Mr H would continue to receive letters about the arrears on the account.

I can't see that Mr H ever returned the income and expenditure form. ONMO sent emails to Mr H on 4 November and 11 November 2024 about the arrears. On 6 January 2025 ONMO sent a Notice of Sums in Arrears.

Based on what I've seen, I haven't found any evidence that Mr H agreed a payment plan when he contacted ONMO on 21 October 2024. And because MR H didn't complete and return the income and expenditure form that was sent to him on 29 October 2024, no plan was put in place.

I also haven't found any evidence that ONMO agreed to freeze interest and charges on Mr H's account (although this may have happened if a payment plan had been set up),

I've read Mr H's comments about why he doesn't think he should have to complete an income and expenditure form. However, ONMO – like all lenders – have an obligation to ensure that any payment arrangement is affordable for the customer. This service would expect a lender to obtain a completed income and expenditure form and assess any offer of payment for affordability before agreeing a payment plan. So I don't think it was unfair or unreasonable for ONMO to require a completed form.

Mr H has said that he is a vulnerable customer and that ONMO should've allowed him to set up a payment plan without requiring him to complete an income and expenditure form. I've explained why an income and expenditure form is required above. Further, I haven't seen any evidence that Mr H made ONMO aware of his vulnerability or of any adjustments he required in order to be able to complete the form.

For the reasons I've explained above, I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 July 2025.

Emma Davy
Ombudsman