

The complaint

Mrs G complains that My Finance Club Limited trading as Ondal.co.uk didn't treat her fairly when she got into difficulties repaying her loan.

What happened

Mrs G took out a short-term loan with Ondal on 13 May 2025 for the value of £400. The total loan balance of £595.20 was due to be repaid on 13 July 2025.

Mrs G says that she couldn't afford to repay the balance on 13 July 2025 and so wrote to Ondal to let it know. She said she'd received poor customer service, and she felt as though she'd been messed around. She said she felt that Ondal had set her up to fail by providing her with the loan, and that it had caused her distress as she had struggled to repay it. She adds that Ondal doesn't respond to her properly and only set up a repayment plan for her last minute – agreeing for her to initially pay £50 for three months. She said Ondal knew she needed longer to pay it all off. She's now concerned about her credit score, and she feels that Ondal has behaved like loan sharks.

Mrs G adds that she's on benefits, a vulnerable adult who has five vulnerable children. She says the result of all of this is that Ondal's actions have aggravated her mental health and caused her to become unwell.

Ondal responded to Mrs G's complaint, but it didn't uphold her concerns. It said that it had tried to come to a payment arrangement with Mrs G, but the information in her emails to it weren't clear as to what she'd be able to pay and when. It also said that Mrs G had been contacting it on an unmanned email inbox, and because of this its responses to her had been delayed.

An Investigator considered the information provided by both parties, but they didn't think Mrs G's complaint should be upheld. The Investigator felt that Ondal had acted fairly in setting up a payment plan for Mrs G, with the information it had and applying a payment freeze to her account. They explained that it was reasonable that the delays in Ondal responding to Mrs G's queries were because Mrs G was contacting it at an unmanned email address. The Investigator thought Ondal had been clear in letting Mrs G know how she should contact it.

Mrs G didn't agree with the Investigators view, and so the complaint has been passed to me to decide on the matter.

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.

Having considered all of the evidence available to me, I have decided that the actions Ondal has said it would take in relation to Mrs G's complaint are a fair way to resolve matters. I'll explain my reasons for this below.

I can see that there has been some back and forth between Mrs G and Ondal in relation to her ability to repay what she owed by the due date in the loan agreement. There were delays in Ondal responding, but this was due to Mrs G contacting it at an email address that wasn't monitored regularly. I accept Mrs G's point, that an email address that is entitled 'support' ought to be monitored – I think she probably has a point there; but Ondal's emails to Mrs G did explain how she should contact it, and that the email inbox she was using wasn't monitored. So, while I understand Mrs G's point, I think Ondal had done enough to let Mrs G know how she could get in touch with it. The result of all of this, is that I'm not persuaded that Ondal did anything wrong when it sent Mrs G delayed responses to her emails.

I can see that Mrs G's emails were letting Ondal know that she couldn't pay. And that she wanted to pay in instalments. But Mrs G's emails to it, in my view, weren't clear about the amount she wanted to pay and when. This meant that Ondal needed more information from Mrs G to know what was affordable to her and when she'd be able to afford to make the payments, before it could set up a repayment plan for her. As a result, I don't think Ondal acted unfairly here. And when it did set up a plan, it appears to have done this on a short-term basis so it wasn't committing Mrs G to something she couldn't afford longer term.

I note that Mrs G has more recently explained that she requires communication in a certain way and explained she needs reasonable adjustments to be made. But she hasn't said what these reasonable adjustments are; so, I'd suggest she contacts Ondal to let it know what she needs, so it can make a note of these and try to support her moving forward.

In response to the Investigator's view, Mrs G said it wasn't clear that she'd have to pay the loan back in full on a certain date. I've looked at the agreement Mrs G provided; and this states that the term of the loan was for 61 days. Essentially, that's the length of time Mrs G had to pay back the loan. At the top of the loan agreement, next to where it says "repayments", it states "You will make one repayment of £595.20 on 13.07.25 ("the repayment date")". I'm satisfied that it should have been clear to Mrs G that the full loan amount was due to be repaid on 13 July 2025.

I can see that Mrs G is still experiencing difficulties repaying the loan, and that she feels that Ondal should do more to help her – for example, she says it continues to charge her interest on the loan, which is making it harder for her to repay. In terms of helping Mrs G, I am persuaded that based on what I've seen, Ondal has made reasonable attempts to help. For example, it set up a repayment plan, and it also froze the interest on the loan. Ondal recognised that it hadn't frozen interest from 16 July 2025 (when the payment plan had been set up), and so it has refunded the interest applied from this date onwards and said that it would apply an indefinite hold on interest being applied to the account. So, based on what I've seen, in my view, it has treated her fairly. However, I would still encourage Ondal to treat Mrs G with forbearance when coming to a plan to repay the debt.

My final decision

For the reasons set out above, it is my decision that Ondal's offer to refund interest and apply a hold to future interest indefinitely is fair. And so this is what I order it to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 25 December 2025.

Sophie Wilkinson
Ombudsman