

The complaint

Mr S complains that RCI Financial Services Limited (RCI) , trading as Nissan Financial Services (Nissan), unfairly charged him for a payment after he settled his Hire Purchase Agreement. He would like this matter investigated and compensation for the distress , poor service and impact on his credit file.

What happened

Mr S says he called RCI to get a settlement figure for his account. He says RCI told him that to close his account he had to pay £6,224.56 as a full and final payment. Mr S says he made the payment the same day. However RCI then took a further payment for £335.26 from his account which he would like refunded,

RCI explained that the payment taken was due to the fact Mr S's direct debit payment for November had been returned unpaid.

Our investigator felt RCI should have explained , when giving him the settlement figure, that the actual figure he needed to pay was £6,559.82 – the settlement figure and outstanding November payment. He recommended that RCI pay Mr S £100 compensation for the distress and inconvenience caused.

Neither Mr S nor RCI accepted our investigator's view

Mr S disputed he owed any money. RCI felt it had correctly taken the payment and that no compensation was due.

I issued a provisional decision in which I concluded:-

- I appreciated it was always frustrating for consumers when they are in dispute over payments.
- There were two issues for me to decide, Firstly did Mr S owe RCI £335.26 and secondly, if any compensation was appropriate.
- In terms of the payment, I saw Mr S's account history and that showed a payment was made on 30 November 2024 but then taken back on 5 December 2024 so that payment failed. A further payment was requested and paid on 11 December 2024. It seemed that RCI's systems would have shown a payment as being in progress which is why the November payment wasn't included in the quote generated which was unfortunate.
- As I understood it, RCI had to return the December payment following an indemnity claim from Mr S's bank.
- Taking into account all of the information I had been given I thought there was still an outstanding amount owing for the missed November payment.
- I went on to consider the information Mr S was given when he asked for the

settlement quote.

- I saw a letter RCI emailed to Mr S dated 10 December 2024 that confirmed a settlement figure of £6,224.56. However that letter also clearly stated ' this settlement quote assumes that all payments received up to and including today's date are honoured. If any received payments are subsequently returned or claimed back , you will still remain liable for these.' So I thought Mr S would have been aware of this when he considered the settlement option
- We asked RCI for the call between it and Mr S when it gave the settlement information . The call it provided , which I listened to , seemed to be after Mr S had been given the settlement information as he was simply calling to make the payment.
- In that call no reference was made to the fact there might be an outstanding payment if any payments were returned or claimed back. However I wouldn't necessarily have expected that to be covered as the call was simply to take the payment.
- I considered going back to RCI to see if we could have the call I originally requested when Mr S asked for the settlement quote. However I was of the view that even if RCI didn't advise Mr S in that call of the impact of any outstanding payments on the settlement figure this was made clear in the letter RCI sent. So Mr S did have that information.
- I was also not aware of anything to suggest that had the settlement figure included an extra month's payment that Mr S wouldn't have gone ahead with settling his account.
- Based on the information I had seen to date I didn't feel RCI unfairly charged Mr S for an extra month's payment. On that basis I couldn't reasonably ask it to refund him, neither could I ask it to compensate him

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.

Both parties responded to my provisional decision.

RCI accepted my decision and made no further comments for me to respond to.

Mr S didn't accept my provisional decision. He made a number of points for me to consider and I would like to reassure him that I have considered these very carefully.

I accept in the phone call Mr S made to request a settlement payment he may not have been advised that he would be liable for any payments returned or claimed back which he should have been.

He was, however, clearly made aware of that in the correspondence he then received. So given a payment had failed, he would have known from that correspondence, that there was an outstanding sum owing.

I considered the impact on Mr S but I thought it was unlikely he wouldn't have gone ahead with settling the account had he realised the settlement figure quoted to him didn't include the payment that failed.

Mr S has made various comments about customer service. We look at all the information provided around specific issues but don't necessarily respond to each individual point. This is why I didn't refer in my provisional decision to the 3 day timescale he says RCI set, but failed to meet, to consider his complaint.

I can see it would be frustrating if that timescale was given and not adhered to. I think the call handler was probably trying to be helpful but was perhaps naïve in giving such a tight timescale for a response.

In terms of the payment taken on 11 December 2024, in the information provided to us, I was clear that a payment had been made on that date which is why the settlement quote given assumed no payments were outstanding. So, I am not sure why, if what Mr S says is correct, RCI was unable to locate this payment.

I can't be sure that Mr S raised an indemnity to get back the payment he made in December for the reasons he said – that is that he felt RCI had 'lost' the December payment he made.

From the information provided it seemed to me that Mr S asked his bank to recover the payment as he didn't agree that he owed an extra month's payment which wasn't the case.

I accept there has been some inconvenience for Mr S but we don't automatically award compensation for this. When something goes wrong there is always some effort and inconvenience for all concerned to resolve things.

I think the main issue here is that Mr S didn't accept he owed a further month's payment, and I have found this not to be the case. Whilst aspects of RCI's customer service could undoubtedly have been better I don't feel these merit compensation.

My final decision

My final decision is that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 December 2025.

Bridget Makins
Ombudsman