

The complaint

Mr B complains about the way in which Arval UK Limited administered his account when he asked to change his payment date.

What happened

In November 2023 Mr B entered into a hire agreement with Arval. The monthly payments under the agreement were £308.94.

In July 2025 Mr B contacted Arval and asked to change his bank details for his direct debit and to change the payment date to 2nd of each month.

Arval set up for Mr B's payment to be taken on 7th of each month in error. This resulted in two payments being taken in August 2025.

Mr B contacted Arval to ask what had happened. Arval acknowledged that it had made an error but said it couldn't refund the payment due to the time it would take to process the refund, which might result in arrears on the account.

Mr B complained to Arval. Arval upheld the complaint. It said it had made an error when Mr B asked to change the payment date and paid £75 compensation.

Mr B remained unhappy and brought his complaint to this service. Our investigator upheld the complaint. She said that the inconvenience caused to Mr B warranted further compensation and recommended that further compensation of £75 was paid to Mr B.

Mr B remained unhappy, so 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.

Arval has acknowledged that it made an error when Mr B asked to change his payment date. It incorrectly changed the payment date to 7th of the month which meant that two payments debited from Mr B's account in quick succession in August 2025. Arval said that it didn't prove a refund because this would've taken 7-10 working days and the payment would have been due payable within a matter of days. It advised Mr B that the payment could be reversed through a banking indemnity claim. Having acknowledged its error, Arval paid Mr B compensation of £75.

I've looked at what happened and I've thought about whether the compensation paid to Mr B fairly resolves the complaint. When looking at compensation, it isn't the role of this service to punish a business, but rather to look at the impact of the error on the consumer and make an award (if appropriate) for any distress and inconvenience caused.

I agree with the investigator that further compensation should be paid to Mr B. The error caused Mr B a significant degree of distress and inconvenience and although the reasoning

given by Arval for not issuing a refund is sound, the lack of refund meant that Mr B had to contact his own bank to reverse the payment, which caused him further inconvenience.

I'm therefore persuaded that further compensation should be paid. I think the further sum of £75 is fair and reasonable, taking into account the compensation already paid and the impact of the error on Mr B.

Putting things right

To put things right Arval UK Limited must pay further compensation of £75 to Mr B.

My final decision

My final decision is that I uphold the complaint. Arval UK Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 February 2026.

Emma Davy
Ombudsman