

## **The complaint**

Ms M complains that Payments 247 Ltd misrepresented the terms of an agreement to her.

## **What happened**

In August 2023, Ms M and Payments 247 entered into an agreement. Payments 247 supplied a card terminal to her and arranged for her to be able to take credit and debit cards via that terminal.

Ms M later complained that the agreement had been misrepresented to her. In particular, she said:

- She did not receive the transaction rates she had been offered.
- She was told she could keep the terminal after 18 months, but that did not happen.
- She was offered a £500 “Price Challenge” if the Payments 247 contract did not save her money compared with her previous provider – but she never received that payment. Her previous provider offered her a particularly competitive rate of 0.24% on debit card transactions.

After considerable correspondence, Payments 247 accepted that Ms M’s transactions had been charged at a rate of 0.50% rather than the 0.22% rate it had promised for debit cards, and 0.70% rather than 0.50% for credit cards. It offered a refund of £108.65 to cover that difference. It also agreed to pay £500 for the Price Challenge, and £100 for distress and inconvenience.

One of our investigators thought that Payments 247’s offer was broadly fair, because he said it put Ms M in the position she would have been in if everything had happened as it should have done. He also said that he thought Ms M should be allowed to retain the card terminal so long as she paid rental charges for 18 months, on the grounds that Payments 247 had made that promise during the pre-sale discussions.

Ms M did not accept our investigator’s conclusions. She said she wanted Payments 247 to refund all the fees she had paid, and she was prepared to return the terminal. She considered the agreement was void due to misrepresentation, and therefore she thought it wasn’t fair for Payments 247 to retain the rental payments. She also wanted compensation because her previous provider’s rates are no longer available to her, as well as an increased payment for distress.

## **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 done so, whilst I am sorry to further disappoint Ms M I have come to the same conclusions as our investigator, for broadly the same reasons.

It's clear that Payments 247 made a mistake and that Ms M was charged the wrong amount as a result. But I think the compensation it has offered is enough to put that mistake right. It has offered to refund the whole of the overpayment, as well as making a payment in respect of its £500 Price Challenge. Ms M would have had to pay transaction charges even if she had stayed with her previous provider, and so I don't think it would be fair for me to order Payments 247 to refund all the fees Ms M paid.

Similarly, I don't think it would be fair for me to order Payments 247 to refund the rental payments that Ms M paid. She had the benefit of renting the terminal, and so I think it is fair that she should pay the agreed price for that rental.

I acknowledge that Ms M says that the rates she received from her previous provider are no longer available to her. But as our investigator said, it is likely those rates would have been reviewed in any event. Ms M has not provided any evidence that persuades me that the previous rates would still have been available to her if she had not entered into this contract with Payments 247. In the circumstances, I don't think Ms M has demonstrated that she will suffer any future losses, and so I don't think it would be fair for me to order Payments 247 to pay any more compensation than it has already offered.

I do not doubt that this incident will have caused Ms M to have suffered both distress and inconvenience. However, taking everything that has happened into account, I think a payment of a further £100 is fair in that respect. I should stress that the Financial Ombudsman Service is not a regulator, and I do not have the power to fine or punish Payments 247.

Payments 247 did not respond to our investigator's suggestion that he thought it would be fair for Ms M to be allowed to retain the terminal so as long as she had paid the equivalent of 18 months of rental charges. I think that suggestion was fair.

### **My final decision**

My final decision is that I order Payments 247 Ltd to pay Mrs M £708.65. That figure is made up of:

- £108.65 in respect of charges;
- £500.00 in respect of the Price Challenge; and
- £100.00 for distress and inconvenience.

In addition, if Ms M has paid the equivalent of 18 months of rental charges, then Payments 247 Ltd should allow her to retain the terminal if she decides that is what she wishes to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 24 March 2026.

Laura Colman  
**Ombudsman**