

## **complaint**

Mr W complains that Totemic Limited (trading as Payplan) made payments to his creditors after he had instructed it not to do so. He also complains that Payplan closed his account meaning he no longer has access to the information he needed.

## **background**

Mr W was in a debt management plan (DMP) with Payplan. In July 2014, after disputing the outstanding balances with his creditors, he instructed Payplan not to make any more payments. Later in July, payments totalling £1,205.59 were made to his creditors.

A few weeks after this, one of Mr W's creditors wrote off his outstanding debt. Mr W says this decision was not related to the amount outstanding and so had the July payment of £359.62 not been made to this creditor this money would not have needed to be paid.

Mr W says he stopped making payments to his Payplan account because it could not guarantee that further payments would not be made to his creditors. Three months later he says that he received a letter saying that his account had been closed. Mr W says that because of this he could no longer access the information he needed about his account.

Payplan accepted that it did not action Mr W's request for his payments to be stopped quickly enough and because of this the July payments were made from his DMP. It apologised for this delay and offered Mr W £25 for the distress and inconvenience this had caused.

Payplan didn't agree that the July payments should be refunded. It said that although one of Mr W's creditors had written his debt off, this had not happened until September 2014; two months after Mr W stopped his payments.

Payplan said that Mr W's account was closed as payments were not received for over 90 days. It said this meant he would no longer have remote access to his information. It offered to provide Mr W with the information he needed if he called.

The adjudicator was satisfied that the payments made to Mr W's creditors in July 2014 benefitted Mr W. He said that prior to Mr W receiving the letter from his creditor saying that his debt would be written off it was not known that this would happen. Because of this he did not agree that Payplan should refund the July payments. He did find that the offer of £25 compensation was not enough and said a further £100 should be paid. Payplan agreed to pay a total of £125 compensation.

The adjudicator said that he was satisfied with the explanation Payplan had provided to Mr W in regard to access to his online account.

Mr W did not agree. He said that the July payments should be refunded. He said that he asked for payments to be stopped because his outstanding balances with his creditors were in dispute. He said payments made to his creditors without his authority would not benefit him if it was found that the balances were wrong and these payments were not required. He reiterated that the payment to one creditor would not have been needed as this debt was later written off. Mr W said that he had to stop making his payments to Payplan and that it was not right that his access to his account was stopped after three months.

### **my provisional findings**

I issued a provisional decision in this case and concluded in summary:

- Payplan did not act on Mr W's instructions straight away. This meant that his July payments to creditors were made when he had not wanted this to happen.
- There was some uncertainty about whether the full amount of one of Mr W's debts would have been written off had the July payment not been made but I found that it was more likely than not that this would have happened. Because of this I found that the £359.62 payment should be refunded.
- The payments made to Mr W's two other creditors reduced his outstanding balances and given these debts were still outstanding I did not find that Mr W was disadvantaged by these payments being made.
- Mr W had been caused inconvenience because his request to stop his payments was not acted on straight away. Payplan agreed to pay Mr W £125 for this.
- I found it reasonable that Payplan closed his account after payments were not made for 90 days which meant his online access was stopped. I also found it reasonable that Payplan offered to provide Mr W with information over the phone.

Mr W accepted the financial settlement I suggested in my provisional decision. He provided further information explaining the information he needed and saying he needed access to the online system for a few days to read, select and download his information.

Since my provisional decision I understand that the cheque for £125 compensation for the inconvenience Mr W experienced has been cashed.

### **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr W accepted my proposed settlement in regard to the payments incorrectly made.

I understand why Mr W wants access to his information and would like Payplan to give him access to the online system for a few days. However, as I said in my provisional decision, I do not find that the business did anything wrong by closing down his online access after payment had not been made for 90 days. Because of this I do not require the business to reinstate Mr W's online access even if this is for a limited time.

The business initially offered to provide Mr W with information he needs over the telephone. I appreciate that Mr W has mainly contacted the business either in writing or by email and that he finds talking on the telephone difficult because of his health. The business has said that it will deal with Mr W's requests in writing. However, it has also said that if it needs more specific information it may need to speak with Mr W by phone. Overall, I find that the business is trying to assist Mr W in getting the information he wants.

**my final decision**

My final decision is that Totemic Limited (trading as Payplan) should refund Mr W £359.62 for the payment made to his creditor in July 2014 which subsequently wrote off his debt.

I understand compensation of £125 has already been paid.

Under the rules of the Financial Ombudsman Service, I am required to Mr W to accept or reject my decision before 28 September 2015.

Jane Archer  
**ombudsman**