

complaint

Mrs R complains that WorldPay Limited has delayed contacting her about outstanding charges that she was not aware of.

background

Mrs R took a merchant services agreement in 2012 with WorldPay and was provided with a payment terminal. In February 2014 her monthly invoice was unpaid as her bank direct debit had been cancelled. This has not been reinstated. In October 2014 WorldPay passed her outstanding debt to a debt collection agency. Mrs R made a number of ad hoc payments – the last being in August 2015. She continued to use the service and received monthly invoices. She was unhappy to be contacted by another debt collector in 2017. WorldPay has told her she owes £2,813.09. The agreement has now been cancelled at her request.

The investigator noted that WorldPay had not applied a termination charge and had offered, as a gesture of goodwill, to reduce the debt to £2,400. It would set up a payment plan with if Mrs R contacted it. The investigator did not recommend the complaint be upheld. Mrs R had been receiving monthly statements of charges from WorldPay. She said that as Mrs R was operating a business she ought reasonably to have been aware that these were not being debited from her bank account.

Mrs R did not agree. She was very unhappy that WorldPay had allowed this debt to build up. She was running a small business where every penny counted. WorldPay should have chased payment of the debt before it had got out of control. There had been no attempt to contact her since 2014. She would not be able to get her own customers to pay after such a long period.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've noted from the invoices provided by WorldPay that most of the debt now outstanding has built up since 2015. Its case notes indicate that in October 2015 the outstanding debt was just over £700. Mrs R has not seemed to have made any payments since then. The latest invoice dated August 2017 shows a merchant charge relating to over £4,000 of card payments processed, together with the rental fee for the terminal.

The invoices posted to Mrs R have said that the monthly amount due is to be debited from her business bank account. Clearly that has not been happening. And Mrs R has been reasonably aware of that since 2014. It seems that WorldPay took no debt collection activity between October 2015 and mid 2017. I appreciate that Mrs R had not realised the full amount that she owed. But I am not persuaded that this can fairly mean that she is not responsible for paying for a service that she was using.

WorldPay has indicated that it will review her income and expenditure in coming to any arrangement. It has offered a goodwill gesture to reduce the outstanding debt as the investigator has highlighted above. If a plan is agreed it said it will take the debt back from debt collectors. The nature of any agreement to repay the debt is going to be a matter for discussion between Mrs R and WorldPay.

I don't have a basis to require it to take any other action.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 18 December 2017.

Michael Crewe
ombudsman