

complaint

Mrs J and Mr M complain that Secure Trust Bank Plc (trading as “Moneyway”) has not treated them fairly in that it took an extra payment of £200 from their account which they say it was not entitled to do. They would like Moneyway to refund the money.

background

Mrs J and Mr M use Moneyway to pay their bills. Each Saturday, they credit approximately £200 to their Moneyway account, and various bills are paid from the account balance. They have been using this account for several years. In most years, they make 52 such payments, and in the past, when a year has had 53 weeks, Moneyway has made up the extra payment, at a manager’s discretion.

There were 53 weeks in 2016, but Moneyway did not use its discretion to credit the 53rd payment, and instead took it from Mrs J and Mr M’s account balance. Mrs J and Mr M consider that Moneyway was not entitled to do this, and that it should refund the £200 it took.

Our adjudicator did not recommend that this complaint should be upheld. He considered that the account terms and conditions do allow for Moneyway to take 53 payments. So he didn’t think Moneyway had done anything wrong in taking the extra payment in 2016 and didn’t consider that it had to refund that money.

Mrs J and Mr M do not agree, saying Moneyway has taken money which it is not entitled to.

my findings

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

In considering what is fair and reasonable, I look at whether the business has done what it said it would do. Here, that is set out in the terms and conditions, which Mrs J and Mr M have both agreed to. These terms and conditions say that Mrs J and Mr M will pay an agreed amount each week to their Moneyway account.

In practice, this generally means they will make 52 payments in a year. But sometimes the year will contain an extra week and I consider that the terms of the agreement mean that Mrs J and Mr M are expected to make a payment for that week as well.

In past years, a manager has credited the payment for the extra week where the year has 53 weeks. But this was at the manager’s discretion – he wasn’t expected or required to do this under the terms of the account. Moneyway has since changed its policy and says it will no longer use its discretion in that way and it will instead expect customers to make payments for every week, in accordance with the terms and conditions. It is entitled to do this, and I can’t require it to return to its previous policy.

This means that I consider that Moneyway was able to take the extra payment for the extra week, and that it isn’t required to refund the money. I realise this will be disappointing for Mrs J and Mr M, but as Moneyway has acted in line with the terms and conditions, I can’t require it to do otherwise.

my final decision

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J and Mr M to accept or reject my decision before 9 June 2017.

Catherine Wolthuizen
ombudsman