

## **complaint**

Miss F complains that First Grade Finance Ltd took an unauthorised payment from her account.

## **background**

In March 2015, Miss F made an online application for a loan from First Grade. She thought she was applying directly to a loan company. First Grade is in fact a credit broking agency. It took a fee of £67.99 out of Miss F's account despite the fact it did not arrange a loan for her. Miss F contacted it to ask for a refund. First Grade said the fee was set out on its website. It did agree however to refund it in this case, as Miss F did not use the broker service.

Miss F did not in fact receive a refund despite contacting First Grade on a number of occasions. She brought a complaint to us to consider.

The adjudicator recommended that the complaint should be upheld. She noted that First Grade had not provided any information as to why the funds were debited from Miss F's account, or any proof it had authority to do so. In the absence of this information, the adjudicator considered that the funds should not have been taken from Miss F's account.

The adjudicator recommended that First Grade should refund the fee in the sum of £67.99, and pay 8% simple interest from the date the fee was taken, to the date of repayment. It should also pay Miss F £50 for the inconvenience this matter caused her.

First Grade did not respond to the adjudicator's recommendation.

## **my findings**

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, I see no reason to depart from the adjudicator's recommendation. Miss F was charged a fee for a service she did not receive. She did not give permission for the sum to be deducted from her account. In the circumstances, I consider that it should be returned to her with interest.

Miss F has spent a lot of time trying to get the fee refunded to her. I consider this has caused her trouble and upset. She should be paid £50 to compensate her for this.

## **my final decision**

My decision is that I uphold this complaint. In settlement of it, First Grade Finance Ltd should:

- Refund the fee of £67.99 to Miss F.
- Pay her 8% simple interest from the date the fee was taken from her account to the date of repayment.
- Pay Miss F £50 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 13 November 2015.

Rosemary Lloyd  
**ombudsman**