

## **complaint**

Mrs F complains that Moneybarn Limited won't allow her to repay her arrears in a suitable payment plan and keeps unfairly adding charges to her account.

## **background**

Mrs F explains that she mistakenly cancelled her direct debit in February. She called Moneybarn to try to re-instate the direct debit and make an arrangement to spread the arrears over the rest of the agreement. Moneybarn said that it wouldn't agree to the repayment plan unless Mrs F completed an income and expenditure form. Mrs F doesn't want to complete the form and says that Moneybarn is being unreasonable and refusing to let her pay the arrears over a reasonable time. She says that it keeps adding a charge every month because there is no direct debit set up and this isn't fair.

Our adjudicator didn't recommend that the complaint should be upheld. She thought that Moneybarn had applied the charges in line with the terms and conditions on the account and it didn't have to accept Mrs F's repayment proposals without an income and expenditure assessment. She thought that Moneybarn was entitled to ask for the information to make sure that the repayments were affordable for Mrs F. Mrs F didn't agree with the adjudicator and said that Moneybarn were unsympathetic and not treating her fairly.

## **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 can understand why Mrs F is upset and frustrated with Moneybarn and wants it to work with her to agree a repayment schedule. But I can only look at whether Moneybarn has acted fairly and has properly applied the charges.

Mrs F accepts that the direct debit was cancelled in error and this has meant that there are arrears on her account. She has put forward proposals to Moneybarn to clear the arrears but it won't accept them unless she completes an income and expenditure form so it can assess whether the repayments are affordable. I know that Mrs F doesn't want to complete one but I can't say that Moneybarn is being unreasonable in asking for one. Moneybarn wants to assess whether the repayments proposed are affordable and ensure that it isn't making any financial difficulties Mrs M may be experiencing worse by asking for an unrealistic amount. Mrs M has said that she will confirm the repayments are affordable but I would expect Moneybarn to satisfy itself that the proposals to clear the arrears are affordable and sensible. So I can't say that Moneybarn is being unreasonable or unfair in the circumstances.

Moneybarn is entitled to charge a fee if there is no direct debit payment made in line with its terms and conditions. I can understand why Mrs F is upset about this and I appreciate that she feels it is unfair but I can't say that Moneybarn has done anything wrong.

I would expect Moneybarn to work with Mrs F if she is experiencing financial difficulties but I would also expect Mrs F to co-operate with Moneybarn in coming to an agreed way forward. If Mrs F doesn't want to give Moneybarn the information it has asked for I can't say that it hasn't been sympathetic.

**my final decision**

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 8 August 2016.

Emma Boothroyd  
**ombudsman**