

### The complaint

Mr W complains that he has paid off all the loans approved for him by Moses Club PLC and he does not owe it the £93 Moses says he owes.

### What happened

Using information from Moses here is a brief table of the loans approved for Mr W.

Loan	Approved	Amount	Term in weeks	Repaid
1	10 January 2019	£400	33	27 June 2019 (loan 3 likely used to repay loan 1)
2	9 May 2019	£200	33	6 November 2019 (loan 5 likely used to repay loan 2)
3	27 June 2019	£600	52	21 September 2020
4	29 August 2019	£180	33	8 June 2020
5	6 November 2019	£200	34	14 September 2020
6	19 February 2020	£200	24	outstanding

Mr W maintains that his last loan was 6 November 2019. He has asked Moses to investigate whether loan 6 was properly approved as he did not think he had a loan 6 at all.

Moses did look into it and its final response letter (FRL) dated 21 February 2021 explained that it had looked into this and Moses was able to show that Mr W did take loan 6.

On 21 September 2020 Mr W gave his Moses' agent what he thought was the final £50 payment. He was informed that he still had more to pay which had worked out to be £93.

Mr W disagreed and although he sent two cheques to clear that balance he then changed his mind and arranged for the bank to cancel the cheques. Moses says in its FRL that he owes it £93 and Mr W says he does not.

Our adjudicator looked at the complaint and spoke to Mr W on two occasions. He gave his view which was as follows:

- after careful consideration of all the account statements for the loans he thought that the outstanding balance did relate to loan 6 and not loan 1; and
- our adjudicator did identify that on 16 July 2020 the balance still to pay across all loans was £388 and he copied to Mr W this table (adapted by me) to show the three outstanding balances on loans 3, 5 and 6 (loan 4 had been repaid in June 2020):

<b>Date of payments</b>	<b>Loan ref</b>	<b>Payment method</b>	<b>Payment made</b>	<b>Balance still to pay</b>
13/07/2020	5	Card (PDA)	£9.76	£53.84
13/07/2020	6	Card (PDA)	9.75	186.88
13/07/2020	3	Card (PDA)	20.49	147.28
Total still to pay				£388

- and our adjudicator worked out that after making a number of payments from 20 July to 21 September 2020 Mr W had repaid £295 which did leave a balance to pay.

Mr W had destroyed all his payment books and so our adjudicator said that without anything from him, there was nothing to be able to re-check the payments that Morses Club show, but from what he did have it seems that the payments made were insufficient.

Because of the explanations Mr W had given to our adjudicator, he had asked Morses for a recording of a call between Mr W and a lady from Morses who said that Mr W did not owe Morses anything. Mr W did not have a date for that call. Morses has told us that it could not be traced.

In the circumstances, our adjudicator did not think that the complaint should be upheld.

Mr W disagreed and the complaint was passed to me to decide.

### **What I've decided – and why**

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

Since the complaint was passed to me I have listened to the recorded calls we have between Mr W and our adjudicator to fully understand Mr W's concerns. I have reviewed all the documents we have, including Mr W's letters to us and the documents Morses has sent to us. And I asked for additional material, including all of Mr W's letters written to Morses, details of his earlier complaints and any recorded calls it may have had with Mr W.

Morses was able to send me more details and one recorded call from 2 July 2021 which did not really take the matter much further as the part during which Mr W spoke to the complaints department has not been recorded and I have not heard it.

Morses has re-checked the figures and has said:

*'I can confirm that the total amount borrowed including capital and interest was £3,059, the total repayments total £2,942.85 and the ESR total £23.15. This leaves a balance of £93 remaining to be paid.'*

An 'ESR' is an early settlement rebate which I can see Mr W received when he repaid loan 1 (on the same day he was approved for loan 3) and when Mr W repaid loan 2 (on the same day that loan 5 was approved).

Having looked at everything carefully I must agree with the adjudicator that although Mr W is adamant he has repaid all his loans, I have decided that the records show there remains a £93 balance to pay. And without Mr W's own payment books then I have nothing to cross-reference his records with those from Morses.

#### Answering some of Mr W's points

Mr W has said that it's a well known fact that you can't have more than one loan running at the same time. My experience of Morses and other home-credit (doorstep) loan companies is that you can, and often the companies do approve customers for more than one loan at the same time.

Mr W had three loans running over a long period of time and it looks as though the payments he was making were allocated to each loan to gradually pay them down. There was a period during February 2020 to June 2020 when Mr W had four loans running at the same time – loans 3, 4, 5 and 6.

I do find this surprising considering Mr W was receiving a pension only, but Mr W has not asked me to look into this, so I say no more about it.

I understand that Mr W has felt frustrated about this whole episode surrounding the balances and him still owing Morses some money. But on the information we have I can come to no other conclusion – that the loans were approved for him and that he signed for them and that he has not quite paid them all off.

I realise that Mr W will be disappointed.

#### Other observations

During my review of this complaint I have noticed a few details which may help Mr W to know about, as they may assist him in understanding what may have happened.

Loans being refinanced into another is not uncommon. And the records for Mr W's account shows that Loan 1 appears to have been refinanced into loan 3 and loan 2 into loan 5.

An 'alert' was placed on Mr W's account around 20 June 2020 which was to indicate that Mr W may need some additional assistance and I asked Morses about that. It sent to me some notes added to Mr W's account:

*'customer has got himself into a bit of a mess financially and a few health issues - fully understood conversation.'*

And it may be that this was the time that Mr W may have misunderstood the balances of the accounts and had lost track as to which loan was being repaid with which amounts.

I mention it in case this may be one explanation. And as I've said earlier, Mr W has not kept his payment books and so I can only proceed with Morses' records.

I have seen from the Morses' account notes I have been sent that after Mr W had raised his dissatisfaction, on 17 July 2020 Morses had sent to him copies of the statements of account for loans 3, 5 and 6. The notes say that these were sent to hm so that he *could 'check payments against his payment book'*. At that stage I understand from Mr W's explanations to us that he would have had, still, his payment books. And so, in July 2020 Mr W did have the details needed to cross-refer his records with Morses records. So, Mr W did have the opportunity for these statements of account and his payment books to be double-checked. But I do not have those details now as Mr W has not been able to send us his payment books.

I have seen a copy of a letter Mr W wrote to Morses soon after he must have received those statements of account and it is dated 22 July 2020. In it he says that he had decided he was going to pay to Morses '*£300 and no more*' because he was so annoyed.

### **My final decision**

My final decision is that I do not uphold Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 10 February 2022.

Rachael Williams  
**Ombudsman**