

The complaint

Mr M complains about the management and administration of his conditional sale agreement (“agreement”) by Moneybarn No. 1 Limited (“Moneybarn”).

What happened

On 31 July 2023 Mr M contacted Moneybarn for an early settlement figure for his agreement. Moneybarn was unable to provide a figure for Mr M ‘there and then’ so advised him it would arrange for one to be provided as soon as possible.

On 1 August 2023 Mr M contacted Moneybarn to complain that he hadn’t received an early settlement figure despite assurances from it that he would.

On 2 August 2023 Mr M contacted Moneybarn to complain, for a second time, that he still hadn’t received an early settlement figure despite assurances from it that he would.

On 3 August 2023 Mr M contacted Moneybarn to complain, for a third time, that he still hadn’t received an early settlement figure despite assurances from it that he would.

On 18 August 2023 and having still not received an early settlement figure from Moneybarn, Mr M complained to our service.

On 7 September 2023 Moneybarn sent Mr M an early settlement figure and a letter explaining that for the delay in doing so it had arranged for £25 to be credited to his bank account, something which I understand has happened.

Mr M’s complaint was considered by one of our investigators who came to the view that having offered and paid Mr M £25 Moneybarn need do nothing further. Mr M didn’t agree so his complaint was passed to me for review and decision.

In April 2024 I issued a provisional decision on this case. In summary I said:

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

First, I would like to point out I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point, it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

Having considered everything the parties have said and submitted I’m not persuaded that £25 represents fair and reasonable compensation in the particular circumstances of this case.

Mr M was entitled to an early settlement figure from Moneybarn and within a couple of days of the same being requested, not 38. Furthermore, Mr M should have only had to request an early settlement figure from Moneybarn once, not more than once. So with this in mind I'm of the view that Moneybarn should pay Mr M a further £25 taking the total sum paid or payable in compensation for distress and inconvenience to £50.

However this isn't the end of matters. This is because the delay in issuing an early settlement figure and Mr M being put in the position, everything else being equal, of being unable to settle the agreement early until September 2023 (rather than August 2023) has caused him a small financial loss. And taking everything into account I'm of the view this small financial loss should be paid to Mr M.

I note that Mr M submits that as a result of Moneybarn's delay in issuing him with an early settlement figure he has suffered losses over and above the small loss referenced by me above. In particular Mr M makes reference to his circumstances changing during August 2023, changes that resulted in him being unable to settle the agreement early in September 2023 (or since) and in him being unable to benefit from an early settlement rebate. But I'm currently not persuaded by what Mr M says on this point so I see no good reason to make an award against Moneybarn, in favour of Mr M, in respect of it.

Moneybarn responded to my provisional findings to say it accepted them.

Mr M responded to my provisional findings to say that he didn't think a further £25 (£50 in total) for the distress and inconvenience this whole matter had caused him was sufficient. In support of his view in this respect Mr M reiterated the submissions he had previously made to our service.

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.

I don't underestimate Mr M's strength of feeling. But taking everything into account, including his response to my provisional findings which included nothing materially new for my consideration, I remain of the view that a further £25 for the distress and inconvenience Moneybarn's delay in issuing an early settlement figure caused is both fair and reasonable.

And for the avoidance of doubt I would add that in deciding that a further £25 is both fair and reasonable I've had regard to how many times Mr M contacted Moneybarn (whether by phone or email), whether this contact was reasonable in the circumstances, how quickly Mr M referred his complaint to our service – within three weeks – and how quickly Moneybarn took to respond to his complaint – within six weeks compared to the regulatory requirement to do so, everything else being equal, within 8 weeks.

So with the above in mind, and given that Moneybarn accepted my provisional findings, I can confirm I see no good reason to depart from those findings and I now confirm them as final.

My final decision

My final decision is that Moneybarn No. 1 Limited must pay Mr M:

- a further £25 for the distress and inconvenience this matter has caused him

- the difference between what he would have had to pay to settle the agreement early in August 2023 (before 29 August 2023) plus the payments made under the agreement to 28 August 2023 and what he would have had to pay to settle the agreement early in September 2023 (before 29 September 2023) plus the payments made under the agreement to 28 September 2023

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 June 2024.

Peter Cook
Ombudsman