

The complaint

Mr M is unhappy that Tandem Personal Loans Ltd sent him missed payment correspondence at a time when he hadn't missed a payment.

What happened

Mr M has a loan with Tandem on which he was up to date on all his payments. Mr M made a payment for the loan on 29 November 2023. But on 7 December 2023, Mr M received an email from Tandem saying that he hadn't made the November payment and asking him to contact them. And on 13 December 2023, Mr M also received a letter and a phone call from Tandem, both of which were also about the supposed missed payment. Mr M wasn't happy that Tandem didn't recognise he was up to date on his payments, so he raised a complaint.

Tandem responded to Mr M and explained that a clerical error had caused them to not recognise the November 2023 payment that he'd made. Tandem apologised to Mr M for this and confirmed that the error had been corrected. Tandem also offered to pay £35 to Mr M as compensation for any trouble or upset he may have incurred because of what happened. But Mr M wasn't satisfied with Tandem's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt that Tandem's response to the complaint, including the offer of £35 compensation, already represented a fair resolution to what had happened. Mr M remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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.

In his correspondence with this service, Mr M has explained that he feels that Tandem's actions in not recognising the November 2023 payment that he'd made were an extremely serious error on Tandem's part which caused him significant distress. And Mr M has further explained that one reason for this is because Tandem's correspondence explained that his credit file could be adversely affected by his missing a payment.

I can appreciate how Mr M would be concerned about potential adverse reporting on his credit file. However, in this instance, no adverse reporting was applied to Mr M's credit file, because when Mr M spoke with Tandem when they called him on 13 December 2023, Tandem recognised at that time that the payment had been made and that the missed payment correspondence was being sent to Mr M incorrectly.

It also must be remembered that Mr M made the payment on 29 November 2023. As such, if Tandem did incorrectly report any adverse missed payment information to Mr M's credit file, then this information would have been removed by Tandem when it was recognised by them that Mr M had in fact made that payment. This means that it would never have been the case that Mr M would have incurred any lasting detriment regarding his credit file. And, as it happened, Mr M didn't incur any temporary detriment either, because Tandem recognised

that he'd made the payment before they made any credit file reporting regarding it.

Mr M has acknowledged that he received the email from Tandem which first notified him of the supposed missed payment on 7 December 2023. This email included a phone number for Mr M to call Tandem. And I feel it's reasonable to conclude that if Mr M was significantly distressed by the receipt of this email, that he would have contacted Tandem about it as soon as he could. But Mr M doesn't appear to have done this. Instead, he only spoke with Tandem six days later, when Tandem called him.

All of which isn't to say that Tandem didn't make a mistake here. They clearly did – and Tandem have acknowledged and apologised for that mistake. But it is to say that I don't feel it's reasonable for Mr M to say that the error that Tandem was extremely serious, because I feel, given what happened, that this clearly wasn't the case. And the reason I take this position is because, ultimately, what happened was that Mr M received an email on 7 December 2023 which he didn't respond to and was then called by Tandem six days later, when he explained that he had made the payment, and when Tandem agreed with him.

In their response to Mr M's complaint, Tandem offered a payment of £35 for any trouble or upset Mr M may have experienced because of what took place. This feels fair to me, given what I've explained above, and I can confirm that it's commensurate with what I might have instructed Tandem to pay to Mr M, had they not already offered to do so.

Accordingly, while I will be upholding this complaint in Mr M's favour, I'll only be doing so to formally instruct Tandem to pay the £35 to Mr M that they've already offered to pay to him. And I won't be issuing any further or alternative instruction to Tandem beyond this.

Putting things right

Tandem must make a payment of £35 to Mr M.

My final decision

My final decision is that I uphold this complaint against Tandem Personal Loans Ltd on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 17 June 2024.

Paul Cooper
Ombudsman