

## **The complaint**

Miss L complains about the loan repayments that Fund Ourselves Limited has taken from her bank account.

## **What happened**

Miss L applied for and accepted a £500 loan from Fund Ourselves in July 2023. She agreed to make payments of £247 to Fund Ourselves at the end of each month from July to October 2023. The first payment was postponed and Fund Ourselves then collected two payments from Miss L's bank account on 6 September. Miss L complained to Fund Ourselves but it said that it was satisfied that no error had occurred. It said that a new repayment schedule was put in place on 29 February 2024 for £10 a month for six months, starting on 22 March 2024.

Miss L wasn't satisfied with its response so complained to this service. Her complaint was looked at by one of this service's investigators who, having considered everything, thought that it should be upheld. He thought that Fund Ourselves should only have taken one payment from Miss L's account in September 2023 so it needed to refund one of the payments and to pay £150 to Miss L to compensate for the distress and inconvenience that she experienced.

Miss L says that the two payments shouldn't have been taken. Fund Ourselves says that it made no error and, whilst it's happy to refund one payment, it doesn't agree with the distress and inconvenience payment so it's asked for Miss L's complaint to be considered by an ombudsman.

## **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.

Fund Ourselves says that it received an e-mail from Miss L's mother on 3 August 2023 advising that no funds were available for collection for the first instalment and it responded to say that it would postpone the instalment for 30 days from the original payment date with no interest.

Miss L has provided a copy of a letter that was sent to Fund Ourselves on 1 August which described Miss L's difficulties and which asked it to freeze her account for two months. I've seen an e-mail that Fund Ourselves sent on 11 August and which set out new repayment dates starting from 31 August 2023 and which asked for a reply confirming the new plan. No reply was received but Miss L's mother sent another e-mail to Fund Ourselves, on 31 August 2023, which said that Miss L was still in no position to make payments that month and asked for another month's extension. Fund Ourselves replied that day to say that two payments were due that day and it could only postpone one of them as the other one had been postponed already for 30 days. Six days later, two payments were collected from Miss L's bank account.

Fund Ourselves was aware of Miss L's difficulties so it had proposed new repayment dates but it didn't receive confirmation that they'd been accepted. Miss L's mother informed it on 31 August that Miss L was still in no position to make payments to which it replied that it could only postpone one of them. It was required to respond to Miss L's difficulties positively and sympathetically but six days after it had said that it could only postpone one of Miss L's payments, it collected two payments from her bank account. I don't consider that to be responding to Miss L's difficulties positively and sympathetically.

I can understand why Miss L believes that it shouldn't have taken either payment at that time but Fund Ourselves had already delayed collection of the first payment by more than one month and I don't consider that it would've been unfair or unreasonable for it to have collected one payment on 6 September 2023.

Fund Ourselves put in place a new repayment schedule on 29 February 2024 for £10 a month for six months, starting on 22 March 2024, after Miss L had complained to it. I consider that to have been fair and reasonable but I find that it should also take the actions described below to put things right.

### **.Putting things right**

Fund Ourselves says that it's happy to refund one payment to Miss L and I find that it would be fair and reasonable in these circumstances for it to refund one payment of £247 to Miss L's bank account. It taking two payments from Miss L's bank account will have caused distress and inconvenience to Miss L at a time when she was already vulnerable. I find that it would also be fair and reasonable for it to pay £150 to Miss L to compensate her for that distress and inconvenience.

### **My final decision**

My decision is that I uphold Miss L's complaint and I order Fund Ourselves Limited to:

1. Refund one payment of £247 to Miss L's bank account.
2. Pay £150 to Miss L to compensate her for the distress and inconvenience that she's been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 24 October 2024.

Jarrold Hastings  
**Ombudsman**