

complaint

Mr S is unhappy with the way Morses Club PLC (Morses) have handled his accounts with it.

background

Mr S has two accounts with Morses. He says when he took them he was assured that an agent would call each week to collect the payments. But:

- agents haven't called weekly which has resulted in him missing payments to the account.
- there have been problems with his payment books which led to them being taken away by a manager for auditing. Mr S says the manager told him not to make payments until the books were returned as they're the only record he has of payments made.
- as a result of missed payments, Mr S says adverse information has been recorded on his credit file.

Mr S complained to Morses. They looked into his concerns and said that whether or not an agent calls at his property, it's his responsibility to make sure the payments are made.

Mr S was unhappy with Morses response and referred his complaint to us. One of our investigators looked into it. She agreed that it was Mr S's responsibility to ensure payments were made to the accounts whether or not an agent called at his home. She said that Morses had agreed that Mr S's passbooks had needed auditing, but that they have nothing on their systems to suggest he was told not to make any payments while this was done. They've registered late payments and defaults on his credit file. Our investigator felt that was reasonable in the circumstances.

Mr S disagreed with our investigator. He said there had been problems with his payment books in September 2016 and he didn't get them back until March 2017. He says it's difficult for him to make a payment if no agent calls as he doesn't have a debit card.

As no agreement was reached, Mr S's complaint has been referred to me.

my findings

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

Morses has sent us a copy of the terms and conditions Mr S agreed to when he opened the accounts. The conditions say *'you must...make sure that the payment is sent or delivered if we have agreed to collect and the representative does not call'*. So it is Mr S's responsibility to make sure the payments are made even if an agent doesn't call to collect.

There is no dispute that there were errors in Mr S's passbooks. Morses have said they audited the books and identified a 'deduction error'. The statements show an adjustment was made to the second account in November 2016.

Mr S says he was told not to make payments while this audit was carried out. Morses say that their process in this situation is to ask the customer to keep making payments and to refund any over-payments identified in the audit later. In order to uphold Mr S's complaint on

this point, I'd need to see some persuasive evidence that he was told not to make payments, but I've not seen any other than Mr S's recollection of events.

I don't dispute Mr S's recollection of the conversation he had with Morses, but I have no reason to doubt Morses version of events either. And their process is in line with what I'd expect of most lenders. So on balance, I think it seems to be unlikely that he was told to stop paying while they checked the account.

In any event, by the time the books were audited, the accounts were already in significant arrears. They should have been repaid 50 weeks after they were agreed. Given that the accounts were opened in 2012 and 2013, they should have been repaid in 2013 and 2014 respectively. As the audit that led to this complaint took place in 2016, it's clear that a significant number of repayments had already been missed. So I can't reasonably say it was wrong for Morses to register information on Mr S's credit file.

I note Mr S has explained he has difficulty making payments if an agent doesn't call. Morses have said he should call their Customer Care Team to discuss alternative ways to pay.

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 Mr S to accept or reject my decision before 23 June 2018.

Richard Hale
ombudsman