

The complaint

A company which I'll refer to as F, complains that Paymentsense Limited (Paymentsense) repeatedly sent incorrect invoices for payments they said were owed.

In bringing this complaint, F is represented by its director who I'll refer to as Mr C.

What happened

The background to this case is well known to the parties so, I won't repeat it in detail.

Briefly:

F has a contract with Paymentsense for the provision of a card terminal through which it is able to take card payments from its customers.

Mr C has told us that:

- In June 2023, F was provided with a new terminal and the old one was returned to Paymentsense.
- From that point onwards F should have received monthly invoices of £14 plus VAT for one terminal. Instead, F was being charged varying incorrect amounts including in August the monthly rental fee for both the new and returned terminals. So, Mr C complained to Paymentsense.

Paymentsense acknowledged they'd made errors. In particular that in the months between June and October 2023 F should have been charged £67.20 for the terminal rental whereas it had been sent invoices totalling £136.80.

In November 2023 Paymentsense resolved the issues that were causing the billing errors and compensated F for their poor service.

But Mr C said that during the months Paymentsense errors persisted, he had to spend time contacting them to put things right, time that he otherwise would have spent on F's affairs. He believed Paymentsense should also compensate him for that time. He estimated that he'd spent six hours dealing with Paymentsense's errors at a charge out rate of £50 per hour. Whereas the total compensation received from Paymentsense of £155.40 falls short by £145 of the amount that is properly due.

Paymentsense did not wish to pay further compensation and as the complaint remained unresolved Mr C referred it to this service to consider.

Our investigator didn't uphold the complaint. After looking into things, he concluded - in summary that:

- Paymentsense have already acknowledged they made mistakes in that invoice they sent to F were incorrect, albeit from November 2023 correct ones were being received.
- The period when incorrect invoices were being generated caused inconvenience to F. But Paymentsense wasn't obliged, however, to pay compensation to F based on Mr C hourly rate of £50.
- We determine the right level of compensation by having regard to the impact Paymentsense's mistake had on F and what we consider fair. The £155.40 Paymentsense paid as well as refunding incorrect charges, taken all together is enough to put things right

F did not accept the investigators conclusions. On its behalf Mr C has maintained his position that overall the compensation is insufficient. So, the case has been 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.

As noted above, there is no dispute Paymentsense made errors in the invoices they sent to F from June to October 2023. Indeed, they've admitted those errors and have already compensated F as also noted above. So, the question for me is whether the compensation is fair and reasonable.

I accept F would have been inconvenienced by the incorrect invoices Paymentsense kept sending to it in the months between June and October 2023. And I say that largely for the reasons Mr C has told us which is that he was having to spend time contacting Paymentsense to put things right.

I have also noted Mr C's testimony that the compensation Paymentsense has paid so far of £155.40 falls short by £145 when considered by reference to his hourly charge out rate of £50.

But it's worth pointing out the complainant in this case is F the limited company. We wouldn't generally award compensation based on the director's hourly rate as Mr C would like to happen in this case. Instead, we consider the overall impact the error had on the complainant - F.

Given the timeline of events, along with the evidence I've seen I am satisfied F was caused some avoidable inconvenience. Especially as Mr C had to contact Paymentsense to put right their invoice errors. But I bear in mind Paymentsense have taken steps to put right the underlying causes of their error. And they've explained in more specific terms the other steps they've taken to put things right including:

- paid credits and refunds of £103.20 to F as a gesture of goodwill;
- paid a further £105 in goodwill payments in recognition of the inconvenience and time spent resolving the issue. And on the same basis a further £50.40. This more recent payment being the equivalent of three further months of terminal rental at £14 per month plus VAT; and
- apologised for the issues F experienced.

After taking everything into account I am satisfied that Paymentsense's actions have caused inconvenience to F. In particular, because Mr C has had to spend time and effort corresponding with Paymentsense to resolve their invoice errors. But I'm satisfied also that Paymentsense have fairly and reasonably compensated F in all the circumstances of the complaint and need take no further action.

My final decision

For the reasons stated above my final decision is I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 19 January 2024.

Asher Gordon
Ombudsman