

## **The complaint**

Mr P complains that Moneybarn No.1 Limited (“Moneybarn”) made mistakes and should have agreed to reschedule arrears on a finance agreement he had with them.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead I’ll focus on giving my reasons for my 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.

I know it will disappoint Mr P, but I agree with the investigator’s opinion. Please let me explain why.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

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.

Mr P acquired his car under a conditional sale agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

When Mr P asked Moneybarn to spread the arrears on his account over the remainder of the term Moneybarn didn’t provide an answer there and then. They collected information about his income and expenditure and subsequently upheld Mr P’s complaint as they said they hadn’t provided a response.

Moneybarn’s system notes show that they explained at the time of Mr P’s call that they would need to review the income and expenditure information before they could provide an answer and I can understand that would have been necessary. So, whilst I understand that there was a delay I think it was an inevitable delay whilst Moneybarn took time to consider Mr P’s situation.

They’ve explained that they wouldn’t usually spread arrears across the remaining term, and I don’t think they were wrong to want to set up a separate payment plan for the arrears alone. That would, I think, help them to report any further missed payments correctly to Mr P’s credit file.

I don’t think Moneybarn were unreasonable when they sought to assess Mr P’s ability to repay the agreement on his current income and expenditure. Whilst Mr P’s employment

status may well have been changing in the future, at that point a reassessment could have been conducted.

Moneybarn upheld Mr P's complaint in their final response to him in December 2021 but they didn't have to offer any payment for distress and inconvenience. I'd expect them to if there was clear evidence some had been incurred but, as I think there would always have needed to be a delay in assessing Mr P's future payments, I don't think it would be fair to insist that was the case. I'm not therefore asking Moneybarn to take any further action.

### **My final decision**

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 26 July 2022.

Phillip McMahon  
**Ombudsman**