

The complaint

Ms W is unhappy that Moneybarn Limited terminated her agreement.

What happened

In May 2019 Ms W was supplied with a car and entered into a finance agreement with Moneybarn.

Ms W experienced financial difficulties due to being signed off from work. She says she provided paperwork to Moneybarn to enter into a payment arrangement but despite using the email address provided the paperwork wasn't received.

Moneybarn issued a termination notice on 30 April 2021.

Ms W contacted Moneybarn in June 2021. She said she wasn't able to make extra payments at that time, but she wanted to keep the car.

Moneybarn said it had only received 7 payments from Ms W since May 2019 and that it felt that the agreement was no longer affordable for her. It said it would continue with termination of the agreement.

Ms W was unhappy with the response and complained to this service. She wants to keep the car and arrange a payment plan to clear the arrears.

Our investigator didn't uphold the complaint. He said that considering the extent of the arrears and the fact that payments had been missed throughout the duration of the agreement, he didn't think Moneybarn had acted unfairly or unreasonably in terminating the agreement.

Ms W didn't agree. She said she wanted to keep the car and repay the arrears at an amount she could afford.

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.

When a consumer is experiencing financial difficulties, there's an expectation that a finance provider will respond positively and sympathetically. I've looked at the available evidence to decide whether Moneybarn has acted fairly here.

I've looked at the history of Ms W's account. This shows that within a short time of the agreement starting in May 2019, Ms W began to miss payments. The missed payments have continued throughout the agreement.

I can see that Moneybarn sent letters to Ms W about the missed payments. It made her aware that termination of the agreement was a possible consequence of missed payments. I can also see that Moneybarn agreed payment plans with Ms W on 3 separate occasions.

Based on what I've seen, I'm satisfied that Moneybarn responded positively and sympathetically to Ms W. It tried to help Ms W by agreeing payment plans . It also continued to try and contact Ms W when the last payment plan failed. However, Ms W didn't keep to the payment plans. In the circumstances, I don't think it was unreasonable for Moneybarn to terminate the agreement., taking into account the level of the arrears, the failed payment plans and the history of missed payments throughout the agreement.

Taking everything into account, I'm unable to say that Moneybarn treated Ms W unfairly. I won't be asking it to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 21 August 2022.

Emma Davy
Ombudsman