

The complaint

Mr A has complained about the repayments under his finance agreement with Moneybarn No. 1 Limited. He believes he's still being required to make repayments, even though the term of the agreement has ended.

What happened

In May 2020, Mr A entered into a finance agreement with Moneybarn for a car. He's explained that the dealership told him the agreement was for a term of 36 months, with repayments of £280.18 per month. But he's since been told by Moneybarn that it's for 60 months. He'd like Moneybarn to stop any repayments after the 36-month mark.

One of our investigators looked into what had happened. Without available recordings of the calls Mr A had with the dealership, our investigator looked at what other evidence there was as to what had been said. He noted we had a copy of the credit agreement, signed electronically by Mr A. The audit trail provided indicated that it was signed by him, on 11 May 2020. And the credit agreement sets out, on the first page, that it's for 60 months, with a total amount payable of £16,530.62. This was also set out in a welcome pack that was emailed to Mr A. Although Mr A says he didn't receive this, our investigator was satisfied that it was emailed to him at an email address he'd provided.

Further, Moneybarn explained that Mr A would have had all the details of the agreement available through his online account, and confirmed that he'd used this account multiple times, to change his direct debit date.

Our investigator also looked into Mr A's concerns that he wasn't asked about his income, or for permission for a credit check to be performed. But he was satisfied that there were details provided about his income on his original application form, and that Mr A knew that he was entering into a finance agreement, where his ability to repay would be looked into.

As Mr A disagreed, his complaint's been passed to me.

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.

Having done so, I'm not upholding this complaint. This is for the same reasons as those given by our investigator. I know this will be disappointing for Mr A, but I'll explain why.

The most compelling evidence I have is the credit agreement. I'm satisfied that Mr A signed it, and that it clearly set out the terms of the agreement, including the number of repayments, the amount, and the length of the agreement – which was sixty months. If this didn't tally with what he'd understood the agreement to be, I'd have expected him to query it, and not sign it. But this didn't happen. So, I'm satisfied he was aware of the terms he was agreeing to.

As regards his financial details, I can see these were provided on the application form. And it

was correct procedure for a credit check to be performed before providing finance. I can see the credit check was referred to in the email trail provided by Moneybarn, and I can't see that Mr A disputed it at the time. I'm aware he says he didn't receive emails, but this is the email address he provided, and which was in use by him.

For these reasons, I don't think Moneybarn has behaved incorrectly.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 July 2024.

Elspeth Wood
Ombudsman