

The complaint

Mr H complains that Marsh Finance Ltd, who I'll call Marsh Finance, were unreasonable to demand payment of the balance on his account, after the car he was financing was reported stolen.

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 H, but I agree with the investigator's opinion. I'll 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 H acquired his car under a hire purchase agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

When Mr H agreed to voluntarily surrender the car in October 2020 the car was to be sold at auction and any funds realised for the car were to be deducted from the balance Mr H owed on his account.

While I understand it is Mr H's assertion that the car was taken by the auctioneers who Marsh Finance appointed in December 2020, I don't think that is likely to have been the case. I say that because:

- The auctioneers have confirmed they couldn't trace the car and didn't recover it.
- There seems little point in the auctioneers not collecting the car as I think it's reasonable to suggest they wouldn't receive full payment for their services until it was collected and sold.
- The police were unable to locate the missing vehicle and I think it's likely they would have investigated matters with the auctioneer before reaching that conclusion.
- Mr H hasn't been able to provide the CCTV footage of the car being taken away that he said he had. It wasn't provided to Marsh in January 2021 when the car was reported stolen either. I think it's likely he would have ensured that coverage was preserved given how important it was in supporting his claim.
- There's no record of the car and I think that supports the view it was stolen.

On that basis I don't think Marsh Finance have been unreasonable to demand full payment of the balance on the agreement. It was Mr H's responsibility under the terms of the agreement to insure the car and, in the absence of such insurance, the balance will need to be paid by him.

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 H to accept or reject my decision before 16 November 2023.

Phillip McMahon
Ombudsman