

## **The complaint**

Mrs H, who is represented by her husband, has complained to us about the service she and her husband received from Moneybarn No.1 Limited, trading as Moneybarn, when they enquired about settling Mrs H's credit agreement.

## **What happened**

In August 2021 Mrs H entered into a conditional sale agreement with Moneybarn to acquire a used car.

On 13 April 2023, when Mrs H was thinking about selling the car, she was given an early settlement figure by Moneybarn, which was valid for a month. The early settlement figure was £14,178.32.

On 24 April 2023 Moneybarn received a lump sum payment of £3,228.35 towards the stated settlement figure. Mr H requested documentation showing the balance due. Moneybarn said Mrs H should send the dealership the settlement figure with proof of the lump sum payment. However, the dealership requested a revised settlement figure showing the amount now due.

Mrs H and her husband say that because Moneybarn didn't provide the revised early settlement figure, having made the lump sum they'd made, they lost out on selling the car as the dealership withdrew from the sale. They say they have had to continue making repayments under the terms of the agreement. They say they want Moneybarn to take back the car and end the agreement without any further sums due.

Moneybarn agrees that its representative didn't provide a breakdown showing the revised settlement amount and has apologised for any inconvenience this may have caused Mrs H. But it also says that the dealership didn't contact them about settling the balance of the agreement, which is something that often happens.

Our investigator didn't uphold Mrs H's complaint. She didn't think that Moneybarn's error in not providing details of the new settlement figure after they had made the lump sum payment towards it had led to the sale of the car not going ahead. She also thought it wasn't unreasonable for Moneybarn's representative to have suggested Mrs H send the dealership the original early settlement figure plus evidence of the payment they'd made in order to confirm the outstanding balance.

Because Mrs H doesn't agree, the complaint has been passed to me for a 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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

Moneybarn says it ought to have provided a revised early settlement figure but hadn't done so, although it doesn't accept that this has led to any loss. So I think for the purposes of making my decision, a key issue is whether what happened was likely to have led to the sale of the car not going ahead.

In these situations, the dealership itself will often make contact with the lender to find out the balance due, with the permission of the customer. For whatever reason that didn't happen. It seems that the dealership requested a revised settlement agreement showing the balance due after Mr H sent it the original settlement figure and said that Mrs H had made the lump sum payment. From what I've seen, it's not clear if actual evidence of the lump sum payment was also sent. In any event, that prompted the request from the dealership to receive the revised early settlement figure which Mr H said he would provide the next day. That doesn't seem to have happened, or at least isn't recorded in the WhatsApp discussion thread I've seen between Mr H and the dealership representative.

I think were ways that a revised settlement figure by Moneybarn could have been requested again and chased up once it became an issue. It was also always open to Mrs H or her husband to request that the dealership contact Moneybarn themselves for the revised settlement figure. I say this having noted that there appears to have been time available to sort matters out between 24 April 2023 and 8 May 2023 when a letter from the selling platform Mrs H and Mr H were using informed them that the sale had been cancelled due to *"issues with arranging collection."* I appreciate that Mrs H and Mr H dispute this is as being the reason.

Mrs H says that the dealership advised they had pulled out of the sale on 25 April 2023, although it is also mentioned in the complaint form that dealership was still interested in purchasing the car on 2 May 2023. This tends to suggest that the sale of the car was still viable at that point.

Thinking about all of this, I am not convinced that Moneybarn's actions were likely to have led to the sale not going ahead. So the question of holding it responsible for any losses Mrs H may have incurred as a result doesn't arise.

I therefore won't be asking Moneybarn to do anything more in relation to Mrs H's complaint.

I know Mrs H and her husband will be disappointed with my decision. But I hope they will understand the reasons for my decision and feel that their concerns have been listened to.

### **My final decision**

For the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 12 July 2024.

Michael Goldberg  
**Ombudsman**