

The complaint

Miss S has complained MotoNovo Finance Limited is charging her too high a rate of interest for her monthly repayments on the finance agreement for her car. She believes she only took this agreement out under duress and wants the amount she's repaying to be reduced.

What happened

In June 2022 Miss S, and her ex-partner, went to a dealer to take out a further car finance agreement. They'd exchanged the car they'd previously held an agreement for as they were dissatisfied with the condition of the car.

In 2024 after Miss S and her partner had broken up, she complained to MotoNovo that she was being charged too much for the agreement as the interest rate was too high. MotoNovo confirmed the interest rate was clearly communicated to Miss S at the time the agreement was taken out. They weren't going to take any further action.

Miss S brought her complaint to the ombudsman service.

Our investigator reviewed her complaint. He noted her testimony about having taken the agreement out under duress but didn't feel this was anything that MotoNovo would have been aware of at the time. He also agreed that the rate being paid by the agreement was clear and there were no grounds to ask MotoNovo to reduce this.

Miss S had the option to terminate her agreement but as she was in negative equity, she found this option unpalatable. She's asked an ombudsman to consider her complaint.

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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The heart of this complaint is very simple. Miss S believes she is paying too high a rate of interest and wants this reduced. She wants this done as she was under duress when the agreement was taken out. I've not included all the detail of Miss S's testimony as I believe our investigator covered this detail in full in his views of 7 and 28 October 2024 but Miss S can be assured I have considered her case in full.

Firstly I don't dispute the difficult nature of her relationship with her ex-partner. I appreciate

why she wishes this to be taken into account.

I've also reviewed her testimony about the circumstances of taking out the car finance agreement and the interaction with the dealership at the time. I can see why she thinks the situation she was in should be considered. Unfortunately, there is no other evidence to back up her account. Buying a car for any couple can be an emotional and stressful time. Without her situation being made clear by any other event – and I'm not convinced that having to return the following day with forgotten ID is this – I'm not sure that the dealer would have noticed anything to be wrong. It's not that unusual for dealers to note that one customer is keener on the purchase than the other.

Miss S has already noted that the dealer would be concentrating on the sale rather than her personal circumstances, so she appreciates the difficulty of anybody being able to identify what was going on. I've got no other evidence that her situation of making any decision under duress would have been clear.

Overall, the interest rate and monthly repayments Miss S is paying is what is quoted within the car finance agreement which Miss S signed and took out in June 2022.

Miss S wants to be paying less but I've seen nothing to show that she's taking any other steps to reduce her financial commitments. It seems from her testimony that Miss S believes the rate should be reduced because of the situation when she took out the agreement.

As I don't think there would be any way for MotoNovo to know of those circumstances, I have no reason here to ask MotoNovo to reduce the level of the payments Miss S is making.

My final decision

For the reasons given, my final decision is not to uphold Miss S's complaint against MotoNovo Finance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 25 March 2025.

Sandra Quinn
Ombudsman