

## **The complaint**

Mrs F has complained that MotoNovo Finance Limited won't accept she didn't take out the credit agreement for the purchase of a car.

## **What happened**

In June 2024 Mrs F realised the car her husband drove had been clamped and there were outstanding enforcement notices in her name. She found out the car had been registered in her name and subsequently discovered the hire purchase agreement was in her name as well.

She'd not known anything about this and contacted MotoNovo. She got the car declared off road and asked them to sort things out as she'd never taken out this credit agreement.

In September Mrs F's husband tragically died in an accident.

MotoNovo didn't believe the agreement had been taken out fraudulently. Their evidence indicated that Mrs F knew about the agreement so wouldn't do anything further.

Mrs F brought her complaint to the ombudsman service. She also confirmed that her husband had taken out other agreements fraudulently and she was spending considerable time to sort all of these out, along with the emotional and financial impact of dealing with a family death.

Our investigator wasn't convinced that Mrs F hadn't known about the credit agreement. Monthly payments had been taken from her and her husband's joint account. She also noted evidence of a phone call when Mr F had passed the phone to his wife to authorise discussion on the account. Whilst noting the desperate situation Mrs F was in, she wasn't going to ask MotoNovo to do anything further.

Mrs F disagreed with this outcome. She asked an ombudsman to consider her complaint.

I completed a provisional decision on 16 April 2025. I believed, on balance, that Mrs F hadn't taken out the hire purchase agreement in her name. Therefore, MotoNovo were required to pick up the car, cancel the agreement and refund any payments from the date the car was declared off road.

MotoNovo accepted this outcome and were conscious of Mrs F's situation.

Mrs F was relieved it'd been accepted she'd not taken out the hire purchase agreement. Mrs F urged this to be sorted quickly as she was running out of places where she could store the car and needed it picked up.

She also confirmed she'd arranged for certain works to be undertaken to the car to ensure it could pass its MOT. These works amounted to £2,185 which Mrs F was asking MotoNovo to repay.

I contacted MotoNovo to ask them whether they'd be willing to do this. They confirmed they

weren't.

I now have all I need to complete a final 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.

Having done so, I've reached the same outcome as I did in my provisional decision. I've already written to both Mrs F and MotoNovo on a few occasions about the outstanding issues, including Mrs F's repair bill, to confirm my likely outcome. The following will not come as a surprise to either party.

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. Mrs F believes the hire purchase agreement was taken out fraudulently and wants the car left at her home to be taken away and to ensure she has no further liability for the debt.

I hope Mrs F understands that I have considered the full detail and history of what happened here. By and large I won't be repeating these facts as these cover distressing personal details. It's clear that the last nine months has been a traumatic time for Mrs F and I'm very sorry about this. MotoNovo are already aware of some of these details so I don't need to repeat these.

All parties know I am satisfied the agreement was taken out fraudulently, by her husband, Mr F. I say this because:

- As soon as Mrs F realised there were outstanding enforcement notices in her name, she discovered the hire purchase agreement for the car, which she believed was her husband's, was in fact in her name. I can see that she took immediate action, the car was taken off the road and she tried to get MotoNovo to sort things out.
- I've seen evidence of other credit agreements taken out fraudulently by Mr F. I've also seen evidence from at least once credit provider accepting this was taken out fraudulently. Whilst each complaint stands alone and the facts of each individual case needs to be considered, I am able to take into account other aspects which support what I believe was most likely going on at the time. MotoNovo know of details about other frauds which took place.
- I've considered the evidence provided by MotoNovo and noted the correspondence between them and the car dealer. There is no evidence to show Mrs F was present when the car was purchased. The application for credit was completed online using Mrs F's personal details but there's no doubt that Mr F, above most individuals, would have been able to authenticate any application using Mrs F's details.
- I can also see that details were changed after the agreement was taken out so that correspondence was sent only to Mr F. Other contact details relating to the

agreement match Mr F's details.

- I can see there was at least one phone call when Mr F tried to change direct debit details for the agreement. This meant he had to obtain Mrs F's authority to enable him to talk with MotoNovo. MotoNovo believes this means Mrs F was aware of this hire purchase agreement. I don't agree. Whilst I agree she did provide her authority, I'm not convinced she knew specifically this was an agreement in her sole name.
- Monthly payments were made from the account Mrs F held jointly with her husband. Like MotoNovo, I'm surprised she wouldn't have noticed the regular payments made for nearly two years. But it's not at all unusual for couples to trust each other and for one party to allow the other to manage the family finances.

Taking everything into account, I believe it's most likely Mrs F didn't take out this hire purchase agreement.

### **Putting things right**

Although I'm satisfied the agreement was taken out fraudulently, it's also clear that Mr F used the car and made regular payments. However, the evidence shows the car was taken off the road as soon as Mrs F realised what had happened and I believe no payments should be taken from that date onwards.

I have separately confirmed to MotoNovo I've seen evidence of the car being declared off road and the effective date of this is 5 August 2024.

It's clear that Mr F's behaviour was related to the financial difficulties he was in, and I believe there were some payments potentially missed before the car was taken off road.

Unusually because of the personal circumstance relating to this case, I don't believe it would be fair of MotoNovo to expect any further payments to be made. Particularly as they will be able to take possession of the car which retains some value. I note what MotoNovo has stated that the value of the car bears no resemblance to the amount of outstanding credit.

As Mrs F didn't take out this agreement, MotoNovo will need to remove any reference to this agreement from Mrs F's credit record.

I have shared the invoice Mrs F provided for the works completed to the car in March 2025 with MotoNovo. This is for a substantial amount of money and I've had concerns whether it would be fair to ask MotoNovo to pay this. Particularly as they've had no input to the works – and the urgency of those – prior to those being conducted. I'm also aware they have concerns about the validity of the invoice. I've noted these and taken their concerns into account.

However as I most recently confirmed to MotoNovo, I believe the key aspect here is that Mrs F did not take out this hire purchase agreement. Therefore MotoNovo could have helped to resolve this complaint many months ago, and if this had been done, these works would not have been required. I am going to ask MotoNovo to pay £2,185 to Mrs F.

I have already asked MotoNovo whether they are able to speed up plans to pick up the car as I know Mrs F is keen to have this sorted. Once, or if, Mrs F accepts this outcome, I am sure they will do what they can to resolve matters.

## **My final decision**

For the reasons given, my final decision is to instruct MotoNovo Finance Limited to:

- Arrange a suitable time to pick up the car subject to the disputed finance agreement;
- Write off the hire purchase agreement in Mrs F's name;
- Stop pursuing Mrs F for any outstanding payments related to this agreement or refund Mrs F for any regular payments that were made following the car being declared off road on 5 August 2024;
- Remove any reference to this agreement from Mrs F's credit record; and
- Refund £2,185 for the works carried out to the car.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 20 June 2025.

Sandra Quinn  
**Ombudsman**