

## **The complaint**

Miss F has complained MI Vehicle Finance Limited, trading as Mann Island, misled her about the status of her car, then despite her settling the agreement, re-possessed the car and sold it leaving her worse off than before.

## **What happened**

In February 2024 Miss F's ex-partner was stopped by the police whilst driving her car. The car was impounded. Within a few days Miss F provided copies of her insurance documentation to Mann Island. They deemed this inadequate and sent her a default notice under the terms of her credit agreement. This included details of how much Miss F would need to pay to settle the agreement.

On 6 March 2024 Miss F paid £10,731.12 to settle the credit agreement. Within a few days Miss F also asked her bank to claim back some of the monthly direct debits she'd made to Mann Island. She got repayments of £3,457.68 and £864.42 equivalent to 15 months of payments altogether.

Mann Island ensured Miss F couldn't take possession of her car as they stated she was now in default of the money owed. Later in 2024 Mann Island sold Miss F's car at auction. After debiting the money they believed they were owed, they paid Miss F £8,610.90.

Miss F was extremely unhappy and brought her complaint to the ombudsman service during the events that took place. She believed Mann Island had misled her about what was going on and had lied to her whilst she was attempting to secure possession of her car.

Our investigator reviewed her complaint. He noted her testimony and strong feelings but felt that overall Miss F hadn't paid what was owed to settle her credit agreement. Therefore, she was in breach of the terms and Mann Island could re-possess her car and take steps to sell it. He wasn't going to ask Mann Island to do anything further.

Very unhappy with this outcome and the impact this saga had had on her mental health, Miss F asked an ombudsman to consider her complaint.

I completed a provisional decision on 20 March 2025. I asked Mann Island to pay Miss F a small amount of compensation and the costs of the car seat which was never returned.

Mann Island promptly accepted this outcome and I believe have taken steps to already pay £250 to Miss F. Miss F appreciated the costs to replace her child's car seat but felt overall the compensation wasn't adequate. She felt Mann Island had continually misled her as well as leaving her high and dry struggling to pay for her household shopping.

I now have all I need to complete my 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'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 F believes she was lied to and misled during a period when her car was impounded. She's also concerned that items kept within the car weren't returned to her as promised.

I hope Miss F understands that I have considered the full detail and history of what happened here. Both Mann Island and Miss F have provided us with timescales of what took place. By and large I won't be repeating these facts as some of the detail is not in dispute. It's not that I don't understand the importance of this to her, it's just that a lot of this has limited bearing on the decision I'm making.

So Miss F's car was first impounded in February 2024. This was because her ex-partner was driving – the police believed – without due care and attention. I believe at the time he was unable to present required insurance documents. There's no dispute that Miss F was technically in breach of her credit agreement. But I don't believe the insurance being in her ex-partner's name and there being a personal number plate on the car have any substantial impact on the heart of this complaint.

Miss F took steps to settle her credit agreement. Mann Island's default notice of 1 March 2024 seems to suggest they would be offering Miss F a rebate if she paid the outstanding amount. I'd just stress this wasn't a rebate but what she legally owed if she was to settle the credit agreement early. I believe Mann Island's wording could be easily construed as misleading.

Miss F paid £10,731.12. She's concerned at the time it took for Mann Island to credit her account. But, as she'll know from correspondence she had with them around this time, they wanted to ensure they knew how she'd sourced her funds. I can see why they would want to take this step based on their regulatory requirements. I know Miss F has said she feels Mann Island insulted her by doubting her ability to repay. I appreciate her view on this.

I don't dispute there was a lot of toing and froing between Miss F and Mann Island. They've noted the volume of her correspondence with them. However I note they did not properly communicate with either our service, or Miss F about the steps they'd taken to sell her car or settle what was owed to her. Miss F only knew about this when she received notification from a company about an unpaid toll. I find this slightly odd as our service regularly asked them about the status of Miss F's vehicle.

Whilst I appreciate Miss F's financial situation, when she claimed £4,322.10 worth of payments back from Mann Island, in doing so I'm satisfied she definitively breached her credit agreement. This is why her car was never released to her and effectively re-seized in April 2024. This is backed up by the messages Miss F received from the police.

This means that when Mann Island repossessed and sold the vehicle, they were able to take

off their sale costs and what Miss F owed them, before paying her just over £8,600.

Miss F has raised her concerns about how Mann Island calculated what she owed and has wondered whether she was being diddled.

I've looked at her credit agreement and the different amounts claimed under letters of 1 March, 22 April and 25 October and am satisfied these are all fair and reasonable. I believe Miss F now accepts these calculations are correct.

I believe this means there is only one outstanding issue. Miss F had a branded car seat for her child kept within her car. Despite promises, this was never returned to her. Nor has there been any explanation by Mann Island why this is the case, but I've taken into account the poor communication by Mann Island around the time the car was being sold.

I've accepted Miss F's estimate of the cost of this item as £150.

### **Putting things right**

I will be asking Mann Island to pay the costs of the car seat that was never returned to her. This is £150.

Mann Island in their communication to our service has accepted *"there are elements of our investigation and decision making that we could have been more decisive and clearer in our approach"*. They believe they have apologised to Miss F but in addition, I think they should be paying her for the impact of this on her. I have re-considered this issue based on what Miss F has said on considering my provisional decision. Unfortunately I remain of the view that as some of the issues arise from Miss F's own actions, Mann Island need to only pay her £100.

### **My final decision**

For the reasons given, my final decision is to instruct MI Vehicle Finance Limited, trading as Mann Island, to:

- refund £150 for the loss of Miss F's child's car seat; and
- pay £100 to Miss F for the trouble caused.

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

Sandra Quinn  
**Ombudsman**