

The complaint

Mr F is unhappy that a car supplied to him under a hire purchase agreement with Marshall Motor Group Limited (Marshall) acting as supplying dealer and broker was mis-sold.

When I refer to what Mr F has said and what Marshall have said, it should also be taken to include things said on their behalf.
our text here

What happened

In June 2022 Mr F purchased a new car. The car was supplied by a Marshall's dealership and was financed by means of a hire purchase agreement with a separate finance company. There is some dispute as to what deposit was paid but the agreement itself stated that the total cash price was £41,888 with a £10,200 deposit. This was followed by 41 payments of £333.90 and a final payment of £20,182.50.

In late summer 2024 Mr F was exploring the purchase of an alternate vehicle. As part of this he enquired as to how much outstanding finance he had on the car. He discovered that he had paid a £4,000 deposit and a part exchange value of £6,200. He felt that he had paid an original deposit of £1,000, then an additional £4,000 and a part exchange value of £7,000. He was also concerned that the sales invoice contained payments for insurance. These were £459 for 3-year smart insurance and £449 for 36 months GAP insurance.

Because of this Mr F complained to Marshall, although I do note it took some time for this to take place because of Marshall having disposed of the original supplying garage and the complaint was originally made to us about a different business. It was confirmed to us by Marshall on 7 April 2025 that they were the right company to deal with Mr F's complaint.

On 17 April 2025 Marshall issued their final response letter to Mr F. They did not uphold his complaint. They pointed to the sales documentation dated 30 June 2022 that showed a cash price of £41,488, a total amount for credit of £31,288 that meant a total of £10,200 (made up of cash deposit and part exchange) was the total deposit. They felt that this was clear and signed by Mr F. The used vehicle purchase form showed a purchase price of £6,200 for the part exchange. They noted that an additional £908 was paid for insurance products but these were ordered by Mr F as part of a demands and needs assessment undertaken.

Mr F challenged their decision and also pointed out that they had used the incorrect car registration in their response.

On 15 May 2025 Marshall issued another final response to Mr F. They apologised for using the incorrect registration number. Reiterating the facts that they had based their initial decision on and providing extracts from the agreement, they did not uphold his complaint

As Mr F was still not happy he continued his complaint with us.

On 12 June 2025 our investigator issued their decision. Whilst acknowledging the strong feelings that Mr F had on the matter, they felt that the evidence provided was not sufficient to

uphold his complaint. They noted that Mr F had produced statements that showed he had paid a total of £4,000 as a deposit (in two lots of £500 and £3,500) but could not produce evidence that he had paid additional sums by cash. They reference the actual agreement that was entered into and pointed out that it clearly stated the deposit was £4,000 and the part exchange was £6,200.

Mr F was adamant that he had paid £5,000 for the deposit and had agreed to a part exchange value of £7,000. For that reason, he did not agree with the investigator's decision.

As Mr F did not accept the investigator's decision it has been passed to me to consider.

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 (if appropriate) what I consider was good industry practice at the time.

Mr F was supplied with a vehicle under a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

If I felt Marshall had acted unfairly in their dealings with Mr F in the course of brokering his hire purchase agreement or the finance agreement had been mis-sold then it would be fair and reasonable to ask Marshall to put the matter right.

To decide what is right and fair in the case I firstly need to understand what antecedent conversations took place between Mr F and the supplying garage. Then to examine in detail the agreement that Mr F entered into, to ensure that all communications with the supplying garage were clear, accurate and fair. The scope of this decision is limited to any potential mis-selling related to Mr F's full deposit not being recognised in the final agreement, the discrepancy in the valuation of the part exchange and in the inclusion of insurance products within the final agreement.

Firstly I will look at the element of the complaint relating to the deposit. Mr F states that he paid an initial deposit of £1,000 in January 2022, with a further £4,000 being paid in June 2022. I will examine the documentary evidence provided by Mr F to decide whether, on the balance of probabilities, Mr F is able to substantiate his statement.

Mr F has kindly provided bank statements that show payments coming out of his account. The first is dated 8 February 2022 and shows that a payment of £500 was made on the 21 January 2022. Mr F states that he paid an additional £500 cash at this point as well. The second statement covers the period 14 June 2022 to 12 July 2022. This shows a payment of £3,500 being made on 30 June 2022. Mr F states that an additional £500 was paid in cash at this point.

From these statements Mr F is clearly able to show that £4,000 was paid either by card or bank transfer. Whilst not casting any doubt on Mr F's statement they do not provide me sufficient evidence to conclude that Mr F did indeed pay an additional £1,000 (in two lots of £500) by way of cash. I will need to explore whether the various sales documentation provide any corroborating evidence relating to these additional cash payments.

There is a deposit receipt dated 21 January 2022 that shows Mr F paid £500, which corresponds to Mr F's bank statement above.

Mr F has provided a partial copy of an agreement dated 29 June 2022 that shows a deposit of £1,000 plus a £7,000 part exchange. My understanding is that this agreement was not executed as Mr F wished to pay a higher deposit, to lower his monthly payments.

There is a new vehicle order form dated 30 June 2022 and signed by both parties that shows total deposits of £4,000, with £3,500 of it still to be paid by Mr F. It also has the part exchange value of £6,200. This gives a total deposit of £10,200. This £3,500 to be paid corresponds to the amount shown on Mr F's second bank statement.

The pre-contractual credit agreement dated 30 June 2022 shows the cash price being £41,888 and the deposit of £10,200. This corresponds to the identical amounts on the vehicle order form.

Whilst accepting what Mr F asserts about the amount he has paid I can only make my decision based on what evidence Mr F has presented to substantiate these assertions. Mr F's statements only show that £4,000 was paid. This corresponds to the amount identified as the deposit on the vehicle order form. Given this I am unable to uphold this element of Mr F's complaint.

Moving on to the second element relating to the discrepancy in part exchange value. The partial agreement that Mr F has provided clearly shows the part exchange value as £7,000. However this agreement was not activated and cannot therefore be binding upon Marshall. That said it can set a reasonable expectation to Mr F that this is the value he will receive for his car in part exchange. The agreement with Mr F will need to be clear and compelling to override this expectation.

I have referenced the new vehicle order form above that has the part exchange value of £6,200 referenced on it. More compelling is the used vehicle purchase form that was signed by Mr F on 2 July 2022. This sets out the terms of the part exchange and clearly states the price as £6,200.

So whilst the expectation of £7,000 was set by the agreement dated 29 June 2022, the used vehicle purchase agreement and new vehicle order are clear that the agreement amount is £6,200. I believe that this is sufficient to override that original expectation of the part exchange value. I therefore do not uphold this element of Mr F's complaint.

The final part of Mr F's complaint relates to the inclusion of £459 for 3-year smart insurance and £449 for 36 months GAP insurance in the agreement. The vehicle order form dated 30 June 2022 clearly shows that the total cash price £41,888 included £459 for 3-year smart insurance and £449 for 36 months GAP insurance. Mr F signed this agreement, so it was clear that these were part of the agreement he was entering into and that he was using credit to pay for them. Therefore, I do not uphold this element of Mr F's complaint.

Because of the rationale set out above I do not uphold Mr F's complaint.

My final decision

My decision is that I do not uphold this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 2 September 2025.

Leon Livermore
Ombudsman