

The complaint

Mr A complains about the conduct of Specialist Motor Finance Limited (“SMF”) in relation to a hire purchase agreement he took out with them. He says their representatives and appointed collection agents were threatening and disrespectful which caused him distress and made him suffer a financial loss as their actions led to him putting the wrong fuel in his car.

What happened

Mr A entered a hire purchase agreement with SMF in 2023 to acquire a car.

On 1 April 2025, Mr A complained to SMF saying he was very unhappy with the conduct of one of their representatives on a telephone call he had just had. Mr A said the representative repeatedly interrupted his attempts to explain how he would be bringing his account up to date and said to him SMF would repossess the car regardless of this. Mr A also said the representative accused him of not co-operating and misrepresented his statements about when he would be paying SMF. Mr A also complained that SMF had appointed agents who had issued threats of repossessing the car and demanded to know his location to carry that out.

Mr A says this led to him suffering severe distress, leading to sleepless nights and a feeling of insecurity regarding the car, and impacted his ability to focus which put his job at risk. And this was heightened due to his partner being pregnant and her reliance on him to have a car for transportation. Mr A also said SMF’s actions led to him suffering a significant lapse in concentration which led to him putting the wrong fuel in his company car and meant he suffered a financial loss of over £400.

SMF didn’t uphold Mr A’s complaint. They said their representative gave him correct information about potential consequences if the account wasn’t brought up to date and were satisfied the representative had acted appropriately on the call. SMF noted that Mr A had offered to pay £300 and £150 on 11 April 2025 and 17 April 2025 respectively and said that, if these payments were made, the account would be up to date, and they wouldn’t seek further action if the account was maintained following this.

Mr A wasn’t happy with SMF’s response and so he referred his complaint to our service. Our investigator upheld the complaint in part. He felt the conduct of the representative who had spoken to Mr A on 1 April 2025 wasn’t appropriate. He said the representative was abrupt and should have handled the conversation more sympathetically as it was clear Mr A was anxious on the call, and it should have been clear that he was having financial difficulties. He recommended that SMF pay Mr A £50 compensation for the distress this call caused him.

Our investigator though didn’t think SMF’s actions caused Mr A to put the wrong fuel in his car. So, he didn’t recommend that SMF refund this to him. And our investigator felt overall that SMF had offered Mr A appropriate help with his arrears.

Mr A didn’t agree with our investigator. He said £50 didn’t adequately reflect the full extent of the distress and financial loss caused to him by SMF.

Mr A asked for an ombudsman to review his 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.

I'm sorry to hear this issue has caused Mr A so much distress. I can understand how factors like the cost-of-living crisis put extra pressure on Mr A to manage his day to day finances and to pay his finance agreement with SMF.

I just want to clarify that I'm considering SMF's actions up to the point Mr A complained including their response to his complaint. It seems that matters may have moved on more significantly since then, as I understand that Mr A's account was defaulted and terminated by SMF. I won't though be considering those subsequent events as these follow the events that led to Mr A's complaint. If Mr A wishes to complain about SMF's actions after that time, he should contact them first and wait for their response. Depending on what that response is, we may be able to investigate this separately.

Mr A complained to SMF following the call he had with them on 1 April 2025. I've listened to a recording of this call. Having done so, I agree with our investigator that SMF's representative handled this poorly. In my view, he was abrupt and failed to treat Mr A sympathetically and respectfully. Mr A on the call was clearly upset by the representative's tone, but the representative failed to recognise this appropriately. So, I agree that SMF should pay Mr A compensation for the distress this caused him.

I realise that Mr A feels that SMF's conduct overall led to him suffering sustained pressure. And that this was exacerbated by Mr A's partner being pregnant and reliant on the car as a means of transportation. I have no doubt that Mr A was committed to doing what he could, under difficult personal and financial circumstances, to bring the finance agreement up to date. However, looking at the status of the account prior to Mr A complaining to SMF, I can see that this had been in arrears on several occasions. I can also see, looking at SMF's account history notes, that they agreed to accept payment plans and reduced payments from Mr A to help with his situation and to try to get things back on track. So, I don't think SMF acted unfairly in how they managed the situation overall, the call from April 2025 notwithstanding.

I've considered Mr A's comments about putting the wrong fuel in his company car. I haven't though been persuaded this was caused specifically by SMF's actions, including the phone call from April 2025, and I can't rule out that this was either a mistake made by Mr A or that his overall circumstances may have contributed to this in part.

I've also considered what Mr A says about collection and recovery agents contacting him. I have no doubt this would have concerned and worried Mr A. But bearing in mind the account had been in arrears on several occasions, I don't think SMF were unreasonable in ascertaining whether it would be reasonable for Mr A to consider returning the car, or that repossession of its asset might be appropriate. So, I don't think it was unfair of them to appoint agents to explore those possibilities. And I haven't seen sufficient evidence that the agents appointed by SMF acted inappropriately or in a threatening manner towards Mr A.

So, while I agree that SMF didn't conduct themselves well at all in the phone call on 1 April 2025, and that compensation for that is appropriate, I don't find that SMF acted unfairly or unreasonably overall in how they managed the payment and arrears situation with Mr A.

I appreciate Mr A doesn't feel that the £50 recommended by our investigator is adequate.

But, overall, I think £50 is a fair figure for the distress SMF's representative caused Mr A.

Putting things right

SMF should pay Mr A £50 for the distress caused to him by the conduct of their representative on the phone on 1 April 2025.

My final decision

I uphold this complaint in part and direct Specialist Motor Finance Limited to pay Mr A £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 January 2026.

Daniel Picken
Ombudsman