

The complaint

AutoMoney Limited, trading as AutoMoney Car Finance ('AutoMoney') provided Mr K with a hire purchase agreement for a used car. He says the finance was provided irresponsibly and he couldn't afford to repay it sustainably.

What happened

In June 2022, Mr K was accepted for a hire purchase agreement from AutoMoney. The amount of credit was £9,600. Mr K was required to make 47 monthly payments of £275 followed by a final payment of £375. The total amount repayable was £13,396.

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 considered everything, I'm not upholding Mr K's complaint. I'll explain my reasoning below:

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website and I've taken this into account in deciding Mr K's case.

I've decided the credit was provided fairly because:

- I don't think the checks AutoMoney did before agreeing to lend to him were reasonable and proportionate. I say that given that I've not seen full evidence of the credit checks it carried out. I've seen that AutoMoney verified Mr K's income using payslips and also relied on statistical data to calculate Mr K's monthly outgoings, but I don't think that's enough without seeing the full credit check details.
- If AutoMoney had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the agreement though.
- Based on the information Mr K provided about his financial circumstances at the time, including a copy of his credit file and bank statements, I don't think there's enough to show or suggest that Mr K was likely to have been unable to sustainably repay what he was being lent. He looked to have sufficient disposable income, after paying his credit and household commitments, to be able to afford the new agreement. So, I think better checks were still likely to have shown the new agreement to be affordable.
- I've also thought carefully about each of the points Mr K has made to us and I'm grateful for the time and trouble he's taken with this. To be clear, I am only looking at AutoMoney's lending decision and not the actions of other parties. I know Mr K feels that AutoMoney ought not to have lent to him as he was on a fixed-term contract at the time. But I don't consider that, given what could be seen about his overall

financial situation at the time, this alone would be a sufficient reason to refuse him the finance.

I'm sorry to hear of the difficult personal and financial circumstances Mr K has been going through, and I do hope things are improving for him.

To summarise, I don't think AutoMoney acted unfairly when it provided the finance to Mr K.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think AutoMoney lent irresponsibly to Mr K or otherwise treated him unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this won't be the outcome Mr K hoped for. But for the reasons above, I'm not asking AutoMoney to do anything more to put things right.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 6 February 2026.

Michael Goldberg
Ombudsman