

## **The complaint**

AutoMoney Limited, trading as AutoMoney Motor Finance ('AutoMoney'), provided Mr W with a hire purchase agreement for a used car.

Mr W and his representative say the finance was unaffordable and AutoMoney ought to have seen this in its checks. He's also unhappy about the way AutoMoney handled the ending of the agreement.

## **What happened**

In July 2024, Mr W was accepted for a hire purchase agreement from AutoMoney. The cash amount of the credit was £13,917. Mr W was required to make a first payment of £587.51 followed by 58 payments of £388.51 and a final payment of £587.51. He paid a deposit of £500. The total amount repayable was £24,208.60.

## **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 W's complaint. I'll explain my reasoning below:

I've decided the credit was provided fairly because:

- I think the checks AutoMoney did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Mr W's financial situation.
- AutoMoney was able to verify Mr W's income and went on to estimate his likely monthly spending needs using statistical information. Noting what he owed on credit, AutoMoney also would have seen he'd had some credit arrears elsewhere that had been brought up to date. Mr W also received a phone call from AutoMoney to confirm his details and discuss his circumstances, including whether there was anything that might affect his ability to repay the agreement. The call included options if he decided to cancel the agreement. I think, taken together, these checks were enough to establish the affordability of the agreement for Mr W.
- Based on the information Mr W provided about his financial circumstances at the time and what AutoMoney was able to find out, I don't think there's enough to show or suggest that Mr W was likely to have been unable to sustainably repay what he was being lent.
- Mr W and his representative have told us he was a vulnerable consumer, and I've kept that in mind. But I can't see that this wasn't something AutoMoney was told or could have reasonably discovered. Given what AutoMoney knew, I don't think I can say it ought to have done more at the time Mr W applied for the finance.

- I've also seen that when Mr W returned the car not long after the agreement began, AutoMoney treated it as a voluntary surrender rather than defaulting the account. That means he benefitted from the refund of some interest. Additionally, I understand AutoMoney has significantly reduced his outstanding liability and is willing to set up a sustainable repayment plan. It may well be that AutoMoney didn't communicate as well as it could have done initially, but overall I don't think AutoMoney has acted unfairly in terms of the help and support it has provided.

I'm sorry to hear of the difficult circumstances Mr W has been through, and I very much hope things are now improving for him.

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 W 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 W and his representative 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 W to accept or reject my decision before 4 March 2026.

Michael Goldberg  
**Ombudsman**