

The complaint

Mr P complains that he was misled into taking out a hire purchase agreement with Tandem Motor Finance Limited (“Tandem”).

What happened

In May 2025, Mr P acquired a used car using a hire purchase agreement with Tandem. The cash price of the car recorded on the agreement was £15,795, the agreement was for 72 months, made up of 71 regular, monthly repayments of £351.66, followed by a final payment of £361.66, which included a £10 option to purchase fee.

Mr P said he received a pre-approval for credit from a third-party at a specific interest rate, over five years. Mr P complains that misleading verbal assurances were made as he said the offer and terms he already had could be matched by the dealership. And so Mr P said he proceeded to take out an agreement with Tandem. Mr P said he wasn't given documents to read beforehand but was only told where to sign.

Later, Mr P said he realised that the agreement was for six years and involved a higher interest rate than the pre-approval of credit he had received elsewhere. Mr P then tried to cancel his agreement within 14 days, which he thought was possible, but said he wasn't allowed to.

In June 2025, Tandem issued their final response to Mr P, in which they explained that they didn't uphold this complaint. In summary, they said Mr P hadn't provided any evidence of an alternative quote he said he received. And they said that had Mr P approached having an offer of finance, they would not have attempted to quote but simply transacted the sale. Tandem also said that Mr P can withdraw from the agreement as he contacted them within 14 days, but he would need to settle the agreement in line with the terms. Tandem, as a gesture of goodwill, offered to waive the daily interest charged for certain days.

Unhappy with Tandem's response, Mr P referred his complaint to our service in July 2025.

Mr P also complained that the terms were too restrictive as it prevented him taking the car acquired abroad without getting confirmation from Tandem.

Our investigator didn't uphold Mr P's complaint. In summary, she didn't think a misrepresentation had been made in relation to the agreement.

Mr P disagreed. Among other things, Mr P believed the dealership took advantage of there being a language barrier and so his ability to understand the key features of the agreement.

As Mr P disagreed, the complaint was passed to me to decide.

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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr P complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr P's complaint about Tandem.

When considering what's fair and reasonable, I take into account relevant law, regulations and guidance. Section 56 of the Consumer Credit Act 1974 ("S56") is relevant to this complaint. S56 explains that, under certain circumstances, a finance provider is liable for what was said by a credit broker or supplier before a credit agreement is entered into. I'm satisfied S56 applies here. So, I can consider what Mr P says he was told about the finance by the dealer before he entered into the contract.

What I need to consider here is whether the agreement Mr P took out with Tandem was misrepresented. A misrepresentation would have taken place if Mr P was told a *'false statement of fact'* about the agreement, and this induced him into entering into the contract to acquire the car when he otherwise would not have. In reaching my findings, I have carefully considered what both parties have said here.

Mr P believes that he wasn't informed that the agreement he took out with Tandem was on less favourable terms than the pre-approval of credit he had obtained from a third-party. While I appreciate Mr P's comments here, I'm mindful that copies of the agreement documentation has been supplied to our service. Within those documents are the pre-contract credit information and the agreement, where it clearly states the duration of the agreement and the interest rate that was being applied. The terms of the agreement also clearly explain the car acquired couldn't be taken out of the country, without receiving consent. The agreement also said:

"Before signing this agreement, you confirm to us that:

- *You've read this agreement, the Pre-Contract Credit Information and the explanation document.*
- *...*
- *You've had the opportunity to ask any questions you want to ask."*

It was Mr P's responsibility to ensure he understood what he was agreeing to. And while Mr P says that assurances were made to him verbally, there isn't clear evidence to support what he has said. Mr P clearly signed the agreement and accepted the terms within it. Mr P supplied witness statements of individuals he says accompanied him when he acquired the car. But I think that, had the assurances that Mr P said were made to him had been important to him, then I think it is likely Mr P would have checked the terms carefully to ensure they were accurately reflected within the agreement, prior to being supplied the car.

Tandem has also said that the dealership would not have attempted to quote Mr P for finance, but rather would have just transacted the sale of the car.

Considering everything above, I don't think a false statement of fact was made to Mr P. And so it follows that I don't think a misrepresentation was made.

In relation to Mr P attempting to withdraw from the agreement within 14 days, I can't see that Tandem has acted unreasonably here. However, They explained to Mr P what was required if he did want to withdraw from the agreement, and this was also clearly explained within the agreement that Mr P had signed.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Tandem Motor Finance Limited to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 23 February 2026.

Ronesh Amin
Ombudsman