

## **The complaint**

Mr B complains about a motor finance agreement he had with Marsh Finance Limited (MFL). Mr B is unhappy that the vehicle related to the motor finance agreement was not of satisfactory quality when it was supplied to him.

## **What happened**

In April 2023 Mr B entered into a hire purchase agreement for a vehicle. The cash price of the vehicle was £9,549. Mr B was due to make 59 repayments of £354.33

Mr B said the finance company went into administration in February 2024; however, he continued making repayments towards his agreement as instructed. Mr B said that on 28 December 2024, he made a scheduled payment, which the finance company initially said was missing but later confirmed had been located and allocated correctly, assuring any charges or credit issues would be removed.

Mr B said that in February 2025, MFL took over the account and claimed the December 2024 payment hadn't been received, placing the account in arrears. Mr B raised a complaint and provided evidence, including bank statements and payment receipts.

In April 2025, MFL issued their final response to the complaint which it didn't uphold. In summary it said there was no record of the payment or the earlier call with the previous finance company.

Unhappy with their decision Mr B brought his complaint to our service where it was passed to one of our investigators to look into.

Mr B later obtained confirmation from his bank that the payment he made in December 2024, was successful and matched previous transactions. To resolve things Mr B wants to have the account corrected, removal of interest and credit markers, and an apology.

In October 2025, our investigator issued their view and recommended that Mr B's complaint should be upheld. The Investigator concluded from the evidence provided that Mr B had made the payment to his account. The Investigator recommended that MFL should apply the payment and rework the account, amend the adverse information on his credit file and pay him £300 in compensation for the distress and inconvenience caused.

MFL didn't accept the Investigators view and instead offered £150 in compensation. The Investigator amended their outcome, having spoken with Mr B and recommended MFL pay Mr B £225 in compensation instead. MFL didn't accept the Investigators recommendations and so the complaint has been referred to an ombudsman for a final decision.

## **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 what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Mr B complains about a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr B's complaint about MFL.

Having reviewed the information provided, I'm satisfied that Mr B made the payment towards his agreement. Mr B provided a bank statement, a payment receipt, a screenshot of the transaction, and an email trail confirming this with the finance company.

Having reviewed the evidence, I note the payment reference number differs slightly from the finance agreement number. I'm not certain whether this could have contributed to the issue; however, in any case, I'm satisfied that Mr B made the payment to the finance company on the specified date. I acknowledge I'm unfamiliar with MFL's payment systems; however, I'm satisfied that the evidence provided is reasonably sufficient to enable MFL to identify the payment and track it, or to be reasonably confident that it was made in good faith.

Having considered that Mr B made the payment, I don't think MFL acted fairly in the circumstances, and so they'll have to put things right.

I'll be instructing MFL to remove any adverse credit information relating to this situation, rework Mr B's agreement to reflect December's payment being made, and pay Mr B £225 in compensation for the distress and inconvenience caused.

Mr B hasn't told us about any fees or charges that he's paid as a result, so I've not asked MFL to make any refunds in that regard.

### **My final decision**

My final decision is that I uphold Mr B's complaint about Marsh Finance Limited and instruct them to:

- remove any adverse information that may have been recorded with the credit reference agencies in respect of the missed payment for December 2024
- pay Mr B £225 in compensation for the distress and inconvenience caused
- rework the account to show the payment being made
- remove any late payment charge or fees related to December 2024s payment

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 8 January 2026.

Benjamin John  
**Ombudsman**