

## **The complaint**

Mr M complains that Startline Motor Finance Limited sent him a Notice of Termination and threatened to repossess his vehicle despite all his payments being up to date.

## **What happened**

In October 2022 Mr M was supplied with a car and entered into a finance agreement with Startline.

The account fell into arrears in April 2024, which resulted in a Default Notice being sent to Mr M. A Notice of Termination was subsequently sent, advising that due to non-compliance with the Default Notice the agreement had been terminated. The letter also stated that consent for Mr M to retain possession of the vehicle had been withdrawn and requested that he make contact to arrange its return. Mr M brought the arrears up to date.

Following a review of Mr M's payment history a Letter of Rescission was issued on 24 September 2025 confirming that the Notice of Termination had been rescinded and allowing Mr M to retain possession and use of the vehicle subject to compliance with the agreement's terms and conditions.

In September 2025 Mr M contacted Startline to raise a complaint about the letter he'd received on 24 September 2025. He expressed concern that the letter had been issued despite his payments being up to date.

Startline didn't uphold the complaint. It said it hadn't identified an error in the way Mr M's account had been handled.

Mr M remained unhappy and brought his complaint to this service.

Following the referral of the complaint to this service, Startline made an offer to Mr M directly. It explained that the letter it had sent to Mr M in September 2025 wasn't a Notice of termination but was confirmation that he'd been managing the agreement. Startline said it couldn't explain why the letter had been issued more than one year after Mr M had brought the agreement up to date and apologised and offered compensation of £100.

Our investigator thought the offer was fair and reasonable.

Mr M didn't agree. He said he'd remembered details of a more serious incident in 2025 where he'd received a text from Startline advising him that his agreement had been terminated. Mr M said he'd phoned Startline in response to the text and explained that he wasn't in arrears. Mr M said that Startline couldn't explain why he'd received the text. Mr M said he'd been caused significant distress and inconvenience.

Because Mr M didn't agree so I've been asked to review the 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 know it will disappoint Mr M but I agree with the investigator's opinion. I'll explain why.

I appreciate that receiving the letter in September 2025 caused Mr M some confusion. The letter referred to a Notice of Termination which had been sent to Mr M the previous year. The letter explained that Mr M's account was up to date and that accordingly the Notice of Termination was being rescinded.

It's unfortunate that the letter was sent so long after Mr M brought the arrears on his account up to date. Startline hasn't been able to explain why there was such a delay, but it has apologised for any distress and inconvenience caused and has offered compensation of £100.

In relation to the delay in sending the Termination Notice rescind letter and the failure to explain the delay, I'm satisfied that the offer of compensation is fair and reasonable and in line with what this service would award. So, I won't be asking Startline to do anything further to resolve the complaint.

Mr M has recently raised concerns about a text he received from Startline earlier in 2025. This wasn't raised in Mr M's complaint to Startline and hasn't been investigated by Startline or addressed in the final response. Because this is a new issue, Mr M will need to raise it with Startline first and allow them to investigate. If Mr M doesn't agree with the outcome of Startline's investigation, he can refer the issue to this service.

### **My final decision**

My final decision is that I don't uphold the complaint. I think the offer from Startline Motor Finance Limited is fair and reasonable.

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

Emma Davy  
**Ombudsman**