

## The complaint

Mr M complains about how Toyota Financial Services (UK) PLC (“TFS”) handled a resolution of a complaint he had with them about a car supplied using a hire purchase agreement.

## What happened

In September 2023, Mr M acquired a used car using a hire purchase agreement with TFS.

In March 2025, Mr M referred a complaint to our service (“Complaint A”) in relation to a misrepresentation and about the quality of the car supplied. Our service issued a view on that specific complaint, where we upheld it and, among other things, asked TFS to end the agreement and collect the car. Our service also asked TFS to refund Mr M expenses he had incurred and pay £350 for the distress and inconvenience caused.

Since that complaint, Mr M complained again to TFS in relation to how they handled the resolution of Complaint A. Among other things, Mr M said that he had been unable to secure finance on another vehicle and had therefore incurred significant rental costs to stay mobile. Mr M also thought that additional compensation was warranted in recognition of the severe hardship caused by TFS’s failure to mitigate the foreseeable impact of its handling of the dispute. Mr M also complained about adverse information reported to his credit file by TFS.

TFS issued their final response in November 2025, in which they explained to Mr M that they were partially upholding his new complaint. TFS confirmed they submitted a closure notification to credit reference agencies in September 2025 and that the balance showing should be zero pounds. TFS also said that they correctly followed the outcome reached in Complaint A, which Mr M had agreed to. TFS also offered Mr M £175 in total as they accepted they hadn’t actioned Complaint A’s resolution in a timely manner, and there was also a delay in issuing this final response to Mr M.

Unhappy with the support he was receiving from TFS, Mr M referred his complaint to our service (“Complaint B”).

Our investigator didn’t uphold Complaint B. In summary, the investigator didn’t think TFS should be held accountable for the financial costs incurred since accepting the resolution for Complaint A. The investigator explained that Mr M asked for the car not to be collected until September 2025, and so he was satisfied TFS followed his request and implemented the resolution as directed.

Mr M disagreed with the investigator’s outcome. Among other things, he provided an extract of his credit report which he believed showed he did attempt to apply for credit. And Mr M provided further details about the costs incurred hiring a car to be kept mobile.

The investigator explained that his opinion hadn’t changed. As Mr M disagreed with the investigator’s view, 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.

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.

What I need to consider in this complaint is whether TFS acted fairly and reasonably in how they administered the resolution which was agreed by both parties in Complaint A.

Mr M believes he has incurred a financial loss since he returned the car to TFS. One of the reasons Mr M says there is a financial cost incurred is because he says he had to hire another vehicle in order to be kept mobile once his car was returned and his agreement was terminated. Mr M also says that the impact this complaint has had on his credit report has impacted his ability to obtain credit to acquire another car and that TFS didn't support him in putting in place another agreement.

It's worth setting out that both Mr M and TFS agreed to the resolution our investigator put forward for Complaint A. This being in part to end the agreement and return the car back to TFS. And as the car was returned and the agreement ended, TFS's responsibility to supply him with a car also ended. While I appreciate Mr M is left frustrated that TFS didn't support him in sourcing another car or supporting him in obtaining credit for another agreement, ultimately, TFS weren't obligated to do so. Their relationship with their customer had, in effect, ceased.

Mr M said he incurred significant costs in hiring additional cars in order to be kept mobile. But as I've explained above, TFS weren't obligated to keep Mr M mobile once the agreement ended. And, as I've also explained above, Mr M agreed to terminate the agreement and return the car. So I don't think TFS has done anything wrong here.

TFS has accepted there were delays in actioning the resolution set out in Complaint A and delays in issuing their final response. However, I don't think there had been an unreasonable delay here. Mr M had agreed to return the car in early September 2025 and the reporting of the agreement to credit reference agencies occurred a couple of weeks later. I don't think this is an unreasonable amount of time. Nor do I think there was an unreasonable amount of time before the final response was issued in November 2025. In any event, TFS has offered Mr M £175 in total, which I think is more than generous in the circumstances.

I also haven't seen enough evidence to persuade me that Mr M was declined credit directly due to TFS's actions, as there can be various reasons why credit is declined. And so, I don't think TFS needs to do anything else in relation to this.

## **My final decision**

Toyota Financial Services (UK) PLC has already made an offer to pay £175 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Toyota Financial Services (UK) PLC should pay £175 to Mr M, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 February 2026.

Ronesh Amin  
**Ombudsman**