

## **complaint**

Mr S says that Black Horse Limited should not be chasing him for an outstanding debt. The debt is in relation to a car which he bought and has since returned.

He brings this claim through his representative Miss S.

## **background**

Mr S bought a car in 2008 through a hire purchase agreement. The term of the agreement was for 48 months; but Mr S realised quite early on into the agreement that the monthly payments were not affordable.

The car was returned 12 months later - Mr S accepting liability for what he still owed under the agreement.

A further repayment plan was put into place. Again, a short while into this plan, Mr S said that he could no longer afford the monthly payments and told Black Horse of this. Once again, a further plan was put into place - this plan still remains.

In the meantime, Black Horse sold the car at auction. As it received a higher sale price than expected, it reduced Mr S's liability accordingly. It also agreed to deduct the fee originally charged for an insurance policy.

In 2014, Mr S's debt was passed to a debt recovery agency.

Mr S complained to Black Horse about the fact that he was being chased for a debt despite the car being sold at auction some time ago. He also complained about the fact that they had sold his debt on.

Black Horse investigated the complaint. It said that Mr S was still liable for the debt and that they were entitled to sell debts on to a third party. So Mr S bought the complaint to our service.

The adjudicator said that Mr S had signed an agreement when he bought the car and that the debt which he is repaying is one that he is liable for. Mr S disagreed and asked for the matter to be referred to an ombudsman.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr S signed an agreement when he bought the car. He should have known about his responsibility in relation to the hire purchase agreement. The terms and conditions were clear on the forms which he signed.

When he got into difficulty and contacted Black Horse, it agreed to take the car back. During this exchange, Black Horse advised Mr S of the outstanding balance and based on this, a further repayment plan was put into place. So, Mr S was aware that he still owed some money for this agreement.

I sympathise with Mr S's position in that he is still paying for a car which he returned some six years ago but I think that Black Horse has done all that it can in making this debt affordable. It treated him sympathetically and positively when Mr S said he couldn't afford the repayment plan for the second time.

Mr S also thinks that Black Horse was not allowed to sell on his debt but I've seen nothing to suggest this and am satisfied that they acted fairly.

**my final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 7 September 2015.

Shazia Ahmed  
**ombudsman**