

## **complaint**

Mrs K complains that Moneybarn No. 1 Limited have intimidated and harassed her into voluntarily terminating her finance agreement. She says that this has adversely affected her health and she is now suffering financial difficulties.

## **background**

Mrs K acquired a car with the assistance of finance from Moneybarn in October 2016. Mrs K wasn't happy with the quality of the car and withheld payments whilst her complaint was dealt with. Because of this, arrears built up on the account. In May 2017 Mrs K called the business to set up her direct debit and make a payment towards the arrears. Moneybarn asked about her income and expenses to check that the repayment plan was affordable. Mrs K wouldn't give details of her husband's income and on the basis of the figures she gave Moneybarn wasn't able to accept her offer of repayment because she didn't have enough disposable income.

Mrs K contacted Moneybarn on two more occasions to offer a repayment amount but each time she wouldn't give full information and so Moneybarn couldn't accept her repayment. Moneybarn said that the next step would be to issue a default notice. Mrs K then requested to voluntarily terminate her agreement and the car was returned and sold at auction. Moneybarn are asking Mrs K to repay what she still owes under the agreement.

Our adjudicator didn't think that the complaint should be upheld. She thought that Moneybarn hadn't done anything wrong in not accepting the repayment plan and there was nothing to suggest that it had been intimidating or had harassed her into returning the car.

Mrs K didn't agree and replied to say in summary that Moneybarn accepted in its final response letter that it had acted unfairly and without listening to the calls it wasn't right to say there had been no intimidation or harassment. Mrs K said Moneybarn left her with no choice.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Since the adjudicator provided her view Moneybarn has provided the call recordings of three calls that Mrs K had and I have listened to those call recordings in full.

I can understand why Mrs K is frustrated and feels she was left with no choice. But that doesn't mean that Moneybarn was wrong not to accept her repayment offer. Looking at the figures Mrs K couldn't afford to make the repayments. It would have been irresponsible of Moneybarn to accept this offer as it left Mrs K with no disposable income. I understand why Mrs K was reluctant to give her husband's details but this meant that Moneybarn couldn't do anything further to help her. I can hear from the call recordings that Moneybarn suggested reducing her outgoings by reducing the amount paid to her informal debt management. She was also advised to contact a debt charity to see if they could re-negotiate on her behalf. Mrs K dismissed all of these suggestions and was adamant that she wanted to pay the offered amount.

The advisers at Moneybarn tried to explain to Mrs K that the alternative would be that the business would have to issue a default notice. I have listened to the calls and each time this

is mentioned Mrs K becomes angry and refuses to listen to what is being said. She can't understand why Moneybarn won't accept her offer and refuses to listen to the advice about her options.

I can't say that Mrs K has been intimidated or harassed on the basis of what I have heard. If anything, the advisers at Moneybarn were keen to express they wanted to assist Mrs K but she needed to do certain things. The reference to the calls being "difficult for Mrs K" in the final response letter accurately reflects how Mrs K responded to what she was being told but it wasn't threatening or harassing.

I can understand why Mrs K thought she had "no choice" but to voluntarily terminate the agreement given what she was being told by Moneybarn. But Moneybarn could not allow the situation to continue when Mrs K couldn't afford the repayments. As a responsible lender it needed to take steps to end the agreement. So although Mrs K perceived it as a "threat" I don't think Moneybarn was wrong to explain that it would issue a default notice. An adviser did urge Mrs K to think about a voluntary termination as an alternative which is what eventually happened.

When the car was returned it was sold and Moneybarn asked Mrs K for the balance owing. The agreement states that when an agreement is voluntarily terminated Moneybarn is entitled to the return of the car and half of the total due under the agreement. Moneybarn is asking Mrs K to pay half of the total due, less the repayments she has already made. So what the car was sold for isn't relevant here. I don't think Moneybarn has done anything wrong asking for Mrs K to repay this balance.

Moneybarn was slow to respond to Mrs K's complaints. It has recognised this and has refunded some of the fees charged to Mrs K's account. I agree with the adjudicator that this is fair and reasonable and I can't ask Moneybarn to do any more.

I know that Mrs K will be disappointed with my decision. I understand that this has been stressful for her. I would expect Moneybarn to continue to treat Mrs K positively and sympathetically when coming to an arrangement to repay the outstanding amount.

### **my final decision**

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 12 April 2018.

Emma Boothroyd  
**ombudsman**