

## **complaint**

Mrs C complains about the settlement figure that was quoted to her by Honda Finance Europe Plc to settle a hire purchase agreement.

## **background**

A car was supplied to Mrs C under a hire purchase agreement that she signed in April 2013. She requested an early settlement quote in September 2013 and Honda Finance provided a figure of £6,897.22. Mrs C's husband phoned Honda Finance to discuss the figure and, on his understanding of that discussion, Mrs C paid £6,546.33 to settle the agreement. Honda Finance said that it required the September payment of £350.89 to also be paid. Mrs C complained to Honda Finance that she had paid the requested amount but she was not satisfied with its response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. He concluded that the total amount required to settle the agreement was £6,897.22 and that £350.89 remains outstanding. He did not consider that Honda Finance was acting unfairly in asking Mrs C to pay that amount.

Mrs C says that they were told that if they paid by a specified date in September they would only be liable for a balance of £6,546.33 and that if they paid after that date they would have to pay a balance of £6,897.22.

## **my findings**

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

The most significant aspect of this complaint concerns the phone conversation between Mrs C's husband and Honda Finance in September 2013. A recording of that conversation is not available so I must base my decision on the other information that is available.

Honda Finance provided a written settlement quote of £6,897.22 to Mrs C in September 2013. It says that its quote was calculated in accordance with the terms of the hire purchase agreement and included the monthly payment that was due in September. It says that it agreed with Mrs C's husband that she could pay an early settlement figure of £6,546.33 provided that the September direct debit of £350.89 was also paid.

Mrs C paid £6,546.33 to settle the agreement but the September direct debit of £350.89 was not received by Honda Finance. It therefore told Mrs C that she needed to pay a further £350.89 to it. Mrs C says that her husband was told that she would only be liable for a balance of £6,546.33 if the payment was made by a specified date in September.

From the evidence that is available to me, I am persuaded that the amount required to settle the agreement was £6,897.22 which included the September direct debit of £350.89. Alternatively Honda Finance would accept a settlement of £6,546.33 provided that the September direct debit of £350.89 was also paid. Mrs C paid £6,546.33 to settle the agreement but the September direct debit was not paid. There appears to have been some confusion about what was said in the conversation between Mrs C's husband and Honda Finance in September 2013 - I am not persuaded that it is likely that Honda Finance would have agreed to accept a settlement that was £350.89 lower than the written settlement figure

that it had provided to Mrs C unless it expected the September direct debit of £350.89 to be paid.

I am not persuaded that there is enough evidence to show that Honda Finance has acted incorrectly. I therefore do not consider that it would be fair or reasonable for me to require it to accept the payment of £6,546.33 from Mrs C in full settlement of her hire purchase agreement.

**my final decision**

For these reasons, my decision is that I do not uphold Mrs C's complaint.

Jarrold Hastings  
**ombudsman**