

complaint

Mr H complains that Black Horse Limited added unfair charges to his hire purchase agreement and did not treat him fairly when he was made redundant.

background

Mr H bought a used van via a hire purchase agreement with Black Horse in May 2007. He made his monthly repayments until June 2008 but was then made redundant and struggled to repay from that point. He made only six more payments in the following 18 months and, in early 2010, Black Horse took court action against him to recover the debt.

Black Horse obtained judgment against Mr H in April 2010; Mr H was ordered to either pay the outstanding debt or return the van. He was declared bankrupt at the same court a few days later. Mr H has neither repaid the debt nor returned the van. Black Horse wrote off the debt because of Mr H's bankruptcy in June 2011, however retains an interest in the van.

I issued a provisional decision on this complaint in July 2013. I did not agree that Black Horse had acted inappropriately or unfairly when Mr H was made redundant or that it refused any request by him to reduce his monthly payments. I noted that Mr H has had the van for over three years without paying for it, despite the court order. Finally, I was satisfied that Black Horse was entitled to retain its interest in the van so that, if it is recovered, Black Horse can sell it and recoup some of its loss.

I invited the parties to comment on my findings, if they wished, before I issued my final decision. Both parties accepted my provisional decision and had nothing further to add.

my findings

Given that both parties have accepted my provisional decision, I find no reason to depart from my provisional conclusions.

my final decision

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

Simon Begley
ombudsman