

complaint

Ms H complains that Secure Trust Bank Plc terminated her finance agreement and wouldn't accept payments from her.

background

Ms H bought a car in late 2012 with finance provided by Secure Trust. She missed a payment in January 2016 and from October 2016 onwards she missed several more. She contacted Secure Trust in March 2017 and agreed to pay £300 which she did. However, Ms H missed her April payment and the business issued a default notice for some £544.

Secure Trust says it didn't hear from Ms H and it sent a reminder letter on 12 May and as it didn't receive a reply it terminated the agreement on 18 May. It said *'we now require you to return the vehicle, the subject of the Agreement, to us by 2510512017 together with all key, the registration document and handbooks.'*

Ms H completed an income and expenditure form on 8 June, but this showed her monthly outgoings exceeded her income by £319 and Secure Trust was unable to accept a payment arrangement. Ms H says Secure Trust refused to accept any payment from her. The business asked her to return the car, but it was in an accident and was written off. Secure said that Ms H remained responsible for any balance after the payment made by the insurer.

Secure Trust rejected her complaint and so she brought it to this service. It was considered by one of our investigators who didn't recommend it be upheld. She said that It was reasonable for Secure Trust to refuse a payment arrangement due to Ms H's financial situation. She noted that Ms H had said she was unable to contact the business during the day as she was at work and it was closed in the evening. She couldn't see any evidence that Ms H had tried to contact the business in April or May or that she had tried to make a payment.

She noted that Ms H had said the insurer will not pay out the settlement until Secure Trust has lifted its interest. She referred to the terms and conditions of the agreement which say: *'You authorise us to negotiate and settle any claim with your insurer, receive any money from your insurer under the comprehensive policy. You may not withdraw this authority you agree to accept any settlement we may reach with the insurer, and you must pay us any outstanding balance under this agreement'* The investigator explained that Secure Trust could accept the payment from the insurer and Ms H would be responsible for any remaining money due.

Ms H didn't agree and said that she had tried to contact Secure Trust to enter into a payment arrangement as her circumstances had changed but it had declined to allow her to do so.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I appreciate Ms H has been through a difficult time, but I cannot safely conclude that the business did anything wrong. She fell into arrears and made a one off payment in March 2017, but then fell behind further. The business has no record of her calling after 14 March until she called on 8 June to complete the income and expenditure form. It also has a record of her calling to complain on 6 July.

She had entered into an agreement to make regular monthly payments and by failing to do so she broke that agreement.

However, the business has a responsibility to treat her with sensitivity and to help where possible. It explored the possibility of a payment plan, but as her outgoings exceeded her income it was unable to enter into one. I appreciate Ms H says her circumstances changed and she was unable to get the business to change its mind. She doesn't have a record of those calls and neither does the business.

The business says that Ms H could continue to make payments even though it was unable to accept a formal payment plan. I believe Ms H took it that as she was refused a payment plan that she couldn't make any more payments. That is unfortunate. If her circumstances had changed it would have been wise to make payments towards the money she owed.

While I have every sympathy with Ms H I don't think Secure Trust did anything wrong. I appreciate she says that she made calls to try and pay the money she owed, but I have no evidence of that and in any event there was nothing stopping her making further payments.

my final decision

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 2 August 2018.

Ivor Graham
ombudsman