

## **The complaint**

Mr S complains about the amount that he's been charged by PSA Finance UK Limited, trading as Autobank Financial Services, for damage to a car that had been supplied to him under a conditional sale agreement.

## **What happened**

The details of this complaint are well known to both parties and have been set out by the investigator - so I won't repeat them again here. Instead, I'll focus on giving the reasons for my decision.

## **What I've decided – and why**

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

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- a used car was supplied to Mr S under a conditional sale agreement with PSA Finance that he signed in October 2016 – he voluntarily terminated the agreement and returned the car in September 2019;
- the car was inspected by a third party on behalf of PSA Finance in November 2019 and the inspection report identified damage to the car with a total value of £1,336.08 – the report included photos of the damage and recorded the car's mileage as 41,349 so it had been driven for about 27,000 miles since it was supplied to Mr S;
- PSA Finance charged Mr S for the damage but then agreed to reduce the charges by £150 and to reduce them by a further £100 because of its delay in telling him about the charges;
- Mr S had agreed in the terms and conditions that he accepted when he signed the agreement that he would keep the car in a good condition, carry out any repairs and replace parts when necessary and that he would pay PSA Finance compensation if he didn't do so;
- our investigator recommended that PSA Finance should reduce the total charge by a further £32 because he didn't think that it was fair or reasonable for Mr S to be charged the full amount for the chipped bumper or to charge him for the poorly patched paintwork – and it has agreed to do so – but Mr S says that there's no proof that the photos are of his car and that there are many discrepancies in the report;
- the photos in the report match the description of the car, the registration number is the same and I'm not persuaded that there's enough evidence to show that the photos in the report aren't of the car that was supplied to Mr S;
- those photos show damage to the car and I consider it to be more likely than not that the damage was present when the car was returned by Mr S when he voluntarily terminated his agreement – I'm not persuaded that there's enough evidence to show that the car was damaged after it was returned by Mr S but before it was inspected;

- other than one of the chips to the bumper and the paintwork on the left front door, I don't consider that the damage would reasonably be regarded to be fair wear and tear in accordance with the British Vehicle Rental and Leasing Association guide on fair wear and tear – so I consider that it's fair and reasonable for PSA Finance to charge Mr S for the damage; and
- PSA Finance has accepted that there was a delay in Mr S being charged for the damage and it has reduced the charges by £100 because of that delay – it's also reduced the charges by £150 and has now agreed to reduce the charges by a further £32 to £1,054.08 – and I'm not persuaded that it would be fair or reasonable in these circumstances for me to require it to reduce the total charge any further.

### **Putting things right**

I find that PSA Finance should reduce the amount that it's charged Mr S for the damage to the car that he returned by a further £32 to £1,054.08 – but I'm not persuaded that it would be fair or reasonable for me to require it to reduce the total charge any further or to take any other action in response to his complaint.

### **My final decision**

My decision is that I uphold Mr S's complaint in part and I order PSA Finance UK Limited, trading as Autobank Financial Services, to reduce the total charge that it's made to Mr S by £32 to £1,054.08.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 October 2020.

Jarrold Hastings  
**Ombudsman**