

The complaint

Mrs H complains that the quote provided by Arval UK Limited for leasing a car didn't include the cost of her motor insurance policy or the car's maintenance. She wants it to add the insurance and maintenance to the initial quote, at no extra cost, or to reimburse her for extra costs she's paid.

What happened

Mrs H leased a car through Arval and thought that the price quoted included insurance and maintenance costs. She said when the car was delivered she found it was uninsured. She contacted Arval which provided her with costs for insurance and maintenance. She accepted this quote, but she found that the final cost was higher. She thought Arval had provided her with false quotes. She had to take out emergency insurance and pay a higher amount than she'd initially thought was due.

Our investigator didn't recommend that the complaint should be upheld. She thought insurance and maintenance hadn't been added to the initial hire agreement. She thought that when these were added, the correct price was calculated. She thought the difference between this and the final quote was due to VAT being added, and she didn't think Arval had done anything wrong in this.

Mrs H asked for her complaint to be reviewed by an ombudsman, so it's come to me for a final 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.

I can see that Mrs H has raised other concerns about the service she has received from Arval. These are separate complaints as they are matters that occurred following Arval's response to her initial complaint. So, as the investigator has already explained, I'm unable to consider those matters here.

I've looked at Mrs H's lease agreement with Arval, and I can see that she's obliged to keep her car comprehensively insured at her own cost. She can also opt to pay maintenance costs to Arval for the duration of the lease. But I can't see that there's any requirement for the car to be insured before it was delivered to Mrs H, as she thought it should be.

The initial quote that Mrs H signed didn't have insurance or maintenance added. I think these were optional extras and Mrs H wasn't compelled to buy them through Arval. Arval said that Mrs H's son hadn't accepted its quote for these options. When Mrs H found that the car was uninsured, she agreed for these costs to be added. And I can see that the prices quoted were the same as the initial quote.

But the final price Mrs H was asked to pay was higher than this quote. I can see that the difference was due to VAT being added. I agree with Mrs H that it would be clearer if Arval had added the VAT in the first instance. But I can't say that it's wrong for it to add VAT. And I think Mrs H didn't have to accept this quote. And so I can't say that Arval has made a mistake in this or treated Mrs H unfairly.

My final decision

For the reasons given above, 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 H to accept or reject my decision before 27 July 2021.

Phillip Berechree
Ombudsman