

## **The complaint**

Miss H complains that RCI Financial Services Limited refused to let her reject a faulty car and that when it did relent it wanted to impose unreasonable charges.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute so 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 the following reasons:

RCI has agreed that the car should be rejected and it has accepted the recommendations of our investigator save for the matter of being able to charge for any possible damage. I note that the dealer has suggested that other elements of the proposed settlement be renegotiated, but the most recent letter from RCI indicates that only the ability to charge for damages is outstanding. That said I am happy to address the different components of the proposed redress. I would add that certain elements of the complaint relate to matters which are the responsibility of the dealer such as the state of a courtesy car and these are not things I can consider.

Our investigator has issued two view letters and these have covered the complaint in some detail. As such, I won't rehearse all the issues and arguments that have allowed this complaint to reach this point save to say that I have read all the material supplied by both parties and I am satisfied that rejection is a fair outcome.

I can see that Miss H has been dissatisfied with the car and I can also identify some frustration on the dealer's part. It seems the relationship has broken down. However, I have to ensure a fair and reasonable outcome is reached and I doubt that I can satisfy both parties.

Our approach when a car is rejected is that any deposit paid is returned with interest. We also seek to recognise the use a consumer has had of the goods. It seems that Miss H has been able to cover quite a few miles and it is only right that she pays for that use. However, for much of the time she has been without the car and has had to make do with either a courtesy car or a hire car, both provided free of charge. I appreciate the efforts made by the dealer to keep her mobile, but she has been denied the use of her new car which she had every right to expect. For that reason I consider a refund of all payments from 7 December to be fair.

I also consider she should not have to incur the costs associated with the transfer of her personalised number. If the car had not been faulty then this is not something she would

have had to pay until the agreement came to an end.

As for the issue of possible damages I gather RCI is not aware of any damage and so this may not be a matter of any practical consequence. I can see that for much of its life the car was not in the hands of Miss H and if there was to be any damage identified it would be debatable as to who caused it.

I trust Miss H has taken good care of the car and it is in a fair state. I don't consider it would appropriate in the circumstances for any damage charges to be levied save for in extremis if any deliberate or excessive damage had been caused to the car such as would be caused by an accident. As I have said I expect Miss H to have taken reasonable care of the car and to ensure it is returned in a reasonable state. If there is any dispute about damage and RCI considers a charge is appropriate it is open to Miss H to bring the matter to this service.

### **Putting things right**

Miss H should be allowed to reject the car.

### **My final decision**

My final decision is that I uphold this complaint and I direct RCI Financial Services Limited to:

- End the agreement and collect the car at no extra cost to Miss H.
- Refund her deposit of £1750 plus annual interest at 8% simple from the date paid until repaid.
- Refund all payments made since 7 December 2021 plus annual interest at 8% simple from the date paid until repaid.
- Refund the cost of the number plate transfer.
- Pay £400 for the trouble and upset caused
- Ensure no charges be levied for any damage to the car save for any excessive damage as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 25 March 2022.

Ivor Graham  
**Ombudsman**