

The complaint

Mr G complains that Lex Autolease Ltd mishandled the extension of his finance agreement.

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:

I am satisfied that Mr G was ready to return his car at the end of the contract in May 2020. However, the constraints imposed by the lockdown rules meant that this was not achieved. The matter was further complicated by Lex when it failed to act on his request. I think it is fair and reasonable to treat the extension period beginning on the day after the original agreement came to an end.

I appreciate that Lex see it differently, but given the circumstances prevailing at the time the original agreement ended I think this is the most suitable approach to take and one I would have expected Lex to have offered to do so when the matter was first raised.

The remaining issue is the calculation of the sum owed by Mr G for the time he had the car. The invoices produced by Lex have been less than clear and it has set out its position in its response to our investigator's view letter. Given it has included the old monthly charge rate for the initial three weeks or so of the extension I consider Lex's figures to be incorrect.

Mr G has supplied his figures and while these may not be precise I consider they produce a fair result overall when taking into account the compensation figure of £125. While one could continue to debate the precise sum due I am aware that this matter, which should have been relatively straightforward to resolve and could have been settled without the need to engage this service, has dragged on too long. I consider that I should look at the complaint in the round and the overall impact on Mr G.

Mr G has made it clear he wishes the matter to be resolved sooner rather than later, to the point where he has been prepared to accept a lower offer than is fair. As such I do not see the need to delay this matter further and I consider the figures proposed by our investigator to be fair and I do not see any merit in delaying settlement of this complaint anymore.

In conclusion, I consider the investigator's proposals to be fair and reasonable.

Putting things right

Lex should compensate Mr G as set out below.

My final decision

My final decision is that Lex Autolease Ltd should refund £691.74 and pay compensation for distress and inconvenience of £125.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 28 March 2022.

Ivor Graham
Ombudsman