

## The complaint

Ms N complains about the sale of a maintenance package by Select Contracts UK Limited trading as Select Car Leasing (Select) in relation to her car hire agreement.

Ms N is represented by her husband, Mr N, but for the purposes of this decision, I will refer to Ms N throughout as the hire agreement is in her name.

## What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my decision.

In July 2022, I issued my provisional decision partially upholding the complaint, I said:

*"Select brokered a car hire agreement for Ms N and as part of that agreement it included a maintenance package which offered a number of features such as car service, car maintenance, tyre replacement, MOT, etc. The maintenance package was provided by the car finance lender. As this complaint is about the sale of the maintenance package, I'm satisfied I can consider it against Select."*

*Ms N complained at the time of entering the agreement, Select's website said one of the features of the maintenance package was the free pick up and return of the vehicle from home/work. She's said this feature was important to her especially with raising a young family and her employment. Ms N has provided a screenshot of what the website said at the time she entered into the agreement which I've considered. Having done so, it's clear this collection service was listed as one of the features of the package. However I understand she later found out the collection service wasn't guaranteed and would be dependent on the garage. In this case, her nearby garages didn't offer it and despite Select's attempts to assist in finding alternative garages who would offer it, they were unable to find one. On this basis, I can understand Ms N's frustration and disappointment because this feature of the package wasn't what she expected.*

*Initially when Ms N complained, Select said they hadn't done anything wrong as their website made it clear that the collection service isn't guaranteed. However Ms N provided the above evidence of what the website show at the time she entered into it. In light of the same, Select accepted they provided misleading information. This is no longer in dispute so I don't intend to provide further comments about this, it's apparent there was a failing by Select. I understand Select has since updated their website to make it more clear. What remains in dispute is how to put things right. Select has proposed the following resolution:*

- Refund the total maintenance package cost (£1,180);
- Refund their arrangement fee (£234);
- Provide a written apology to Ms N;
- Pay £500 compensation for the trouble and upset caused.

*Having carefully considered what has happened I believe this is a fair resolution. I say this because it puts Ms N back in the position she would've been in had she not taken out the maintenance package. I must also point out that Select said Ms N would still be able to make use of the maintenance package including servicing but it would be at no cost to her as essentially they will be covering the cost of it.*

*I understand Ms N feels strongly about this matter and it has caused her trouble and upset as Select only accepted her version of events once she provided further information of what their website showed and she had to make arrangements for the car to be taken to a garage to be serviced. Having considered the impact, I find £500 compensation is fair in the circumstances.*

*I know the investigator previously recommended the agreement should come to an end and the car to be returned subject to the cost of fair usage however I don't find this to be an appropriate nor proportionate resolution. I consider the maintenance package to be an ancillary product to the supply of the car and there's no evidence to suggest Ms N had any issues with the car itself so I don't find the return of the car and the ending of the entire agreement to be proportionate. Moreover having listened to the calls between Ms N and Select, I'm not persuaded the maintenance package nor the requirement that it offered a collection service was a determining factor when she entered into the agreement. I say this because Ms N had already indicated to Select that she wished to proceed with the agreement before discussing the maintenance package. She wasn't initially unhappy with the proposed monthly cost of the maintenance package and she said to Select if the cost couldn't be reduced, she would proceed with the agreement without it. Select later confirmed they had managed to secure a lower price and Ms N agreed to it.*

*Based on the evidence I've seen, I'm satisfied there was a failing by Select when they brokered this hire agreement, they provided misleading information about the maintenance package. However I consider their offer of resolution to be fair in the circumstances as it puts Ms N in the position she would've been in had she not opted for the package”.*

## **Response to the provisional decision**

Select accepted the findings. Ms N said she was disappointed by my findings. In summary she said:

- Select had continued to deny their website had been changed and they only accepted this once she had provided documentary evidence of the same;
- The maintenance package was a key part of entering into the agreement and she wouldn't have agreed to it if the collection service wasn't guaranteed;
- Select had deliberately been deceitful and she was concerned about their actions and impact on other consumers.

## **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 appreciate Ms N is disappointed by my findings. I thank her for the response which I've considered in full. However having done so, I find no new points have been raised.

I accept Select initially didn't agree to uphold the complaint as they didn't think they had done anything wrong. They only accepted the website had changed once Ms N had provided documentary evidence of the same. I've made reference to this in my provisional decision in terms of the compensation for trouble and upset and I find the amount offered was fair. I've also explained my reasons as to why I'm not convinced the maintenance package was a determining factor in entering this agreement so I won't repeat them again here. Lastly, I must stress to Ms N that my role isn't to punish Select, that is the role of the regulators. I've considered the individual circumstances of what happened when she entered into this agreement. There is no dispute there has been a failure by Select but I believe their resolution is fair in the circumstances.

That said, while Ms N remains disappointed she has confirmed she is willing to accept it. On that basis, I still consider my findings to be fair and reasonable in the circumstances. Therefore, my final decision is the same for the reasons as set out in my provisional decision.

### **Putting things right**

To put things right, Select Contracts UK Limited trading as Select Car Leasing must:

- Refund the total amount of the maintenance package;
- Refund their arrangement fee;
- Provide a written apology to Ms N;
- Pay £500 compensation for the trouble and upset caused.

### **My final decision**

For the reasons set out above, I've decided to uphold Ms N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 6 September 2022.

Simona Charles  
**Ombudsman**