

The complaint

Mr M is unhappy with how Lex Autolease Ltd handled his request to collect a car at the end of a hire agreement.

What happened

It's worth firstly noting that there is a lengthy history to this case. I don't intend to list all contact, nor potential contact, between Mr M and Lex. Instead, I'll summarise what happened with what I consider to be the key facts.

In February 2016 Mr M took a hire agreement with Lex to acquire a new car. This was taken over four years.

Around March 2020, Mr M asked Lex to collect the car. He didn't receive a response and complained to Lex. It issued a final response in May 2020. Lex upheld Mr M's complaint, offered him £100 and explained he'd be contacted to remove a private plate once the DVLA was available to process this.

Around June 2020 Lex contacted Mr M to arrange transfer of the plate. Mr M says he asked for further details about this, but then didn't hear back from Lex.

The car remained on Mr M's drive. In August 2021, Mr M says he heard from Lex for the first time since June 2020. It appears Lex had been sending Mr M arrears letters and in August 2021 it sent him a letter saying the contract had been terminated.

Mr M complained again to Lex. Lex sent Mr M a form to arrange transfer of the private plate and requested a payment of £80. Mr M says this was the first time he received this form and that he completed and returned it.

At the end of September 2021 Lex issued a final response. It said, in summary, that Lex thought the COVID-19 pandemic had contributed towards the car not being collected. But, it said this didn't justify why the car still hadn't been picked up. It said documents were sent to Mr M to transfer the private plate, but these hadn't been returned. It asked Mr M to call a specific team to arrange this.

Lex said no markers had been added to Mr M's credit file, and all of the invoices raised on the account since March 2020 were to be credited off. It offered Mr M £150.

In December 2021 Mr M referred the complaint to our service. He said the car still hadn't been collected. He said the battery was dead and the car was blocking his garage. And he said he was still waiting to hear from Lex about the situation.

Lex said it had sent Mr M a form to transfer the plate and had not received it. Mr M said he had sent this back.

Our investigator then issued an opinion. She said, in summary, that she thought from around June 2020 Mr M was aware that for the car to be collected, the issue with the private plate

had to be resolved. She said she thought Mr M hadn't proactively arranged for this to be completed, so the £150 offered for the delays was reasonable.

Mr M responded and said he was waiting for Lex to contact him about the plate. He said he'd tried to get in touch with it several times but couldn't get a response. And he said he didn't receive the form to transfer the plate until August 2021, which he returned with a cheque. Our investigator explained this didn't change her opinion.

In February 2022 Mr M told Lex to collect the car with the private plate still on it. A collection agent came out to the car to pick it up but couldn't take it as it wasn't running. Lex then said it had received the form to transfer the private plate but hadn't received the £80.

At the end of February 2022 Mr M again asked Lex to collect the car without the plate. And our service also passed on this request. Lex then told Mr M the retention of the plate had been processed. But, it still said it was waiting for the £80 to be paid. Mr M told Lex in March 2022 that he had confirmed several times to it that he wanted the car collected with the plate still on it.

Mr M complained again to Lex. It issued another final response at the end of March 2022. This reiterated what the previous final response said - and added that Lex had tried to call Mr M several times to assist with the private plate issue. It said any invoices Mr M had received from October 2021 were valid and remain payable.

In August 2022 Lex confirmed that the car hadn't been collected and it had been trying to contact Mr M to arrange this.

I sent Mr M and Lex a provisional decision on 7 September 2022. My findings from this decision were as follows:

Mr M complains about the administration of a hire agreement. Entering into regulated hire agreements such as this is a regulated activity, so I'm satisfied I can consider Mr M's complaint against Lex.

As I explained at the start of the background here, there is a long history of contact, and disputed contact, between Mr M and Lex. I am not going to comment on all of this in my decision – instead I'll focus on what I think are the key points and the crux of this complaint. But, I want to reassure Lex, and Mr M, that I've carefully considered all of the information and evidence on this case, even if I haven't specifically mentioned it.

It isn't in dispute that an initial delay was caused, at least in part, by Lex. I say this as Lex acknowledged this and offered Mr M compensation in its first two final responses for this reason. So, I don't think I need to consider this earlier timeframe in detail.

It's worth noting here that since then, there has been a lot of back and forth between Lex and Mr M. I do not intend to make findings on what happened at every point here. I think a fair summary of the situation is that Mr M says he has attempted to contact Lex at multiple points to arrange collection of the car. And he says he has returned the paperwork required to transfer the plate, with payment. Lex says it has been trying to contact Mr M to arrange collection of the car but he hasn't responded. It says that there was a significant delay in Mr M returning paperwork and he hasn't made a payment to transfer the plate – which is what has caused the delays.

There has very clearly been a significant breakdown in communication here. But fundamentally, I don't think it's acceptable for either party that it has taken nearly two and a half years to collect a car at the end of a hire agreement.

I've thought very carefully about what's happened here. Having done so, I think both parties are somewhat to blame.

I think Lex should've done more initially to collect the car when Mr M asked it to and I'm satisfied it caused delays here.

I'm satisfied Lex knew the car wasn't running in February 2022 when it sent collection agents to get it, as Mr M had told it this several times. I don't follow why the car could be collected in February 2022 with the information Lex had, but not later. Lex says it was delaying collecting the car for some time as it was awaiting Mr M to pay it £80. I don't make a finding here on whether this was the case – as Mr M says he did pay it. But given the agreement was for nearly £800 a month, either way it seems it would've been pragmatic to either collect the car and write this off or to invoice Mr M for this later.

On the other hand, I agree with our investigator that Mr M was aware of the issue with the private plate for some time. I think he could've been more proactive at points in arranging for this to be transferred. I also think, while he said he was waiting for Lex to get in touch with him, he should not have left this for around a year and instead contacted Lex during this period to move things forward.

The crux of this complaint, and what I need to decide, is given that I'm satisfied both parties could've done more here, is it fair and reasonable that Mr M should now be charged nearly £800 a month for a car he hasn't driven in around 30 months?

All things considered, I don't think this feels fair to me. On the other hand, while I'm satisfied Mr M has been caused distress and inconvenience because of what's happened, it also doesn't feel fair to ask Lex to make any further award here given the overall circumstances.

What I think would be fair and reasonable for both parties is for the car to be collected and for Mr M not to owe Lex anything for the time the car has been with him since the end of the contract. I also don't think this situation should be reflected on Mr M's credit file.

It's important to note here, that if there is any reason Lex cannot collect the car – such as issues with the DVLA, then it will need to let me know specific details of this before I issue my final decision. And, if the case is upheld, Mr M needs to proactively engage with arranging a time and date with Lex and/or its collection agent for the car to be picked up.

I gave both parties two weeks to come back with any further information or evidence before I made my final decision.

Lex responded and asked for some details about collecting the car.

Mr M came back to us and was unhappy with the decision. He said I hadn't considered the delays and lack of correspondence from Lex. He said Lex had already confirmed he wouldn't be charged any further payments going forward and provided an email he said showed this. And he said he should get £20 a day for storage fees for the time he's had the car and additional compensation.

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've thought about all of the information about this case again. And, having done so, I still think it should be upheld. But I don't agree with what Mr M suggested to put things right. I'll explain why.

Mr M said Lex had confirmed nothing further would be charged in relation to the car. And he provided an email from June 2020 which he said showed this. But, Lex confirmed it was charging Mr M monthly rentals from October 2021. So, I still think my direction to remove any arrears is valid and of benefit to Mr M.

I want to reassure Mr M that I have considered the whole picture here. But, I still think delays were caused by both sides. Mr M says he made "*relentless*" requests to collect the car. But I disagree. There were long periods where he wasn't in touch with Lex.

I've considered Mr M's request for storage fees. But, I haven't seen that it was costing Mr M £20 a day to keep the car, nor any other evidence of storage costs to be reimbursed here. For the time he's had the car after the initial attempt at returning it, £20 a day would work out at over £18,500. This doesn't feel fair to me given what's happened.

I've carefully considered everything else Mr M said in response to my provisional decision. But, I still think what I proposed to put things right is reasonable under all of the circumstances.

Neither party raised any objection to the car being collected with the private plate still on – so this can be done.

Finally, I'd like to again politely remind both Mr M and Lex to proactively engage with each other to arrange a suitable date to collect the car. And Lex will need to make sure the car can be appropriately moved given it's a non-runner.

My final decision

My final decision is that I uphold this complaint. I instruct Lex Autolease Ltd to do the following:

- End the agreement with nothing further to pay
- Remove any arrears from the account from when Mr M attempted to return the car in March 2020
- Remove any adverse information from Mr M's credit file in relation to this agreement
- Collect the car at a time and date suitable for Mr M at no cost to him

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 October 2022.

John Bower
Ombudsman