

## **The complaint**

Mr B has complained that Select Contracts UK Limited trading as Select Car Leasing ("Select") mis-brokered a hire agreement he entered into when acquiring a car.

## **What happened**

The circumstances of the complaint are well known, so I'm not going to go over everything again in detail. But, to summarise, Mr B contacted Select, a credit broker, in January 2023 because he was interested in acquiring a car under a hire agreement. He explained the sort of car he was looking for, and said he wanted something for around £400 per month that included maintenance; without a large up-front cost; and which had an average annual mileage limit.

Select went through various quotes with Mr B. It looks like an arrangement was close to being reached on a hire agreement that included maintenance, but Mr B said he wanted to increase the mileage to around 16,000 so he asked Select to requote for him. Select suggested it may be quicker to accept the deal he had agreed but contact the finance company to ask for an increase in mileage. But Mr B said he managed to obtain a quote from a different firm with extra mileage quite easily, so he was thinking of taking that up.

Select reassured Mr B it could arrange a new quote. Mr B agreed and explained £450 was what he could pay monthly. After some further negotiations, he gave Select a copy of a quote from another firm on the terms he was looking for, for around £450 per month, but it didn't include maintenance. Select went on to quote on the same terms but with a slightly lower monthly payment. There were some further discussions about the colour.

Select sent Mr B a Quotation and Vehicle Order Form for a maintenance included contract (by mistake), with a 16,000-mile limit, for £450.97 per month. Select wrote to Mr B shortly afterwards to explain it needed to send another one out because the contract type was wrong. It sent the correct Quotation and Vehicle Order Form for £450.97 per month, with a 16,000-mile limit, without maintenance. Mr B accepted the quote and ticked boxes on the form to say he acknowledged he'd declined to take the option of maintenance, and that he'd read and understood it.

Mr B signed the hire agreement the following day setting out he was entering into a four-year hire agreement for £450.97 per month. The agreement didn't set out it came with any other selected optional services.

A few weeks later Select contacted Mr B to see if he wanted to add on any other services including maintenance. Mr B complained because he thought his agreement came with maintenance, and he says he was clear throughout that's what he wanted.

Select responded to the complaint and said Mr B had signed the Quotation and Vehicle Order Form, along with the hire agreement that set out maintenance wasn't included. It said it had quoted Mr B in line with the other quote he'd sourced through a different firm – which didn't come with maintenance. Mr B wasn't happy and explained Select should have been clearer. He said Select was the expert and he felt he'd been misled by it. He also highlighted

he was sent two contracts on the same day, one with maintenance included, and one without. He couldn't understand how they were the same price.

Select responded again to say it didn't intentionally mislead Mr B. It said the penultimate Quotation and Vehicle Order Form Mr B was sent was wrong because of user error, but that was rectified within minutes. Mr B wasn't happy with the explanation and decided to refer his complaint to the Financial Ombudsman.

One of our investigators looked into things but didn't uphold the complaint. He said Mr B had supplied Select with a quote that didn't include maintenance. And while Select initially sent him the wrong quote, it quickly rectified that. He noted Mr B had ticked boxes acknowledging he was opting for a contract that didn't include maintenance. He also said the finance agreement didn't set out maintenance was included. He said Mr B had signed to accept the terms and conditions and so didn't think there was sufficient evidence Select had mis-sold him the agreement.

Mr B didn't agree with the view. He said he'd asked for a maintenance included contract. He said he couldn't be expected to read all the terms and conditions when he'd just read them on a previous order from only a few minutes before. He said Select shouldn't have sent him a contract that didn't include maintenance without making it clear to him. He said he didn't realise the maintenance wasn't included on the finance agreement because he thought that 'services' related to services like alloy care or paint protection.

As things weren't resolved, the complaint has been passed to me to decide.

### **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 want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr B and Select that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Select brokered the hire agreement for Mr B, and our service is able to consider complaints about credit broking.

On the one hand, I agree Mr B told Select he was looking for an agreement with maintenance included when he spoke to it at the beginning of January 2023. And Select incorrectly sent him a quote for an agreement that included maintenance shortly before correcting that. And I agree that Select could have given more detail about the mistake with the 'contract type' it made prior to sending Mr B the final quote and order form to sign. Mr B has explained why he didn't realise maintenance wasn't included when he signed the hire agreement. And he's also said he'd told Select he didn't want to pay more than £450 per month, implying it shouldn't have quoted him on the deal it did, because he'd incur further costs through having to pay for maintenance of the car.

On the other hand, Mr B supplied Select with a quote that didn't include maintenance which is what it used to re-quote for him. So I don't think it's unreasonable Select may have thought Mr B had changed his mind about the maintenance. Select quickly told Mr B there was a problem with the penultimate order form it sent him, which was true. Moreover, Mr B has signed a Quotation and Vehicle Order Form that set out maintenance wasn't included.

He's also ticked a box to confirm he acknowledged maintenance wasn't included. And the hire agreement itself doesn't set out maintenance was included.

To my mind, I think the start of the issue here came about because Mr B sent Select a quote without maintenance. He'd also changed his requirements to what he wanted at the beginning of January 2023. And so I don't think it was unfair of Select to have quoted him on the same basis as the quote he'd obtained from another firm. Select made a mistake by sending Mr B a Quotation and Vehicle Order Form setting out maintenance was included, but it quickly rectified that. Arguably it could have highlighted earlier the quotes didn't include maintenance. But I have to bear in mind there were further steps Mr B needed to take. He was required to review the Quotation and Vehicle Order Form that set out there was no maintenance included. While I appreciate he might not have gone over every term and condition, I think it's important to note he had to take a positive step by ticking a box to confirm maintenance wasn't included. The conditions about maintenance weren't hidden in the small print. I think it's been brought to his attention, and he was adequately informed about the arrangement he was entering into. By signing the agreement it indicates he wanted to be bound by its terms. I don't think Select has artificially inflated the price either, given the two (non-maintained) quotes he received were very similar. Moreover, there's nothing in the finance agreement that sets out servicing was included.

All things considered, while I appreciate Mr B thinks Select ought to have highlighted earlier the agreement didn't come with maintenance, I think it was quoting as per the information Mr B had supplied. And I think there's a few too many steps that were taken afterwards by Mr B to enable me to say Select has, on balance, caused a loss to him. So, while I know Mr B will be disappointed, I don't find I have the grounds to uphold the complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 6 March 2024.

Simon Wingfield

**Ombudsman**