

The complaint

Mr A has complained about the quality of a car he is hiring from Arval UK Limited.

What happened

In October 2020, Mr A entered into a hire agreement with Arval, for a new car. This was for an initial minimum period of 36 months, and would then roll over.

In March 2022, Mr A contacted the broker. He said that after a rattling noise came from the car, it was discovered there was glass in the tailgate. It was thought to be as a result of the rear windscreen having been broken and replaced at some point. Mr A explained that he'd never had the windscreen replaced – and, that it wasn't a genuine VW part, unlike the other glass on the car. Further, a taillight was cracked, which Mr A thought had happened either when the windscreen was damaged, or when it was repaired. It was his understanding that, in order to replace the rear windscreen, the rear spoiler panels had to be removed, which may well have caused the crack.

Mr A provided photos in support of his position. These were taken the day after he first got the car. They showed a gap between the rear spoiler and the rear windscreen, which he's explained shouldn't have been there.

The broker contacted Mr A to say that the supplying dealership had confirmed that no work had been carried out on the car before he took possession of it.

The matter was then passed to Arval, as the finance provider. It offered to: arrange and pay for the spoiler to be attached back to the windscreen; investigate the rattle and remove any debris; credit Mr A with one month's hire, as a gesture of goodwill; and arrange for the repair of the cracked spoiler and taillight -but with Mr A to cover the cost of this.

Unhappy with this, Mr A brought his complaint to our service. One of our investigators looked into what had happened, but didn't think the complaint should be upheld. She didn't think there was enough evidence to establish who replaced the windscreen, or if its replacement caused the damage to the spoiler and taillight. So, overall, she thought Arval's offer was fair.

As I disagreed, I issued a provisional decision explaining why, and giving both parties the opportunity to respond. In that decision, I said as follows.

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'm minded to uphold it, as I find Mr A's version of events compelling and persuasive. I'll explain why.

The car Mr A is hiring was brand new at the point of supply. It is accepted that the photos Mr A provided were taken the day after he got the car – and these photos show a gap between the spoiler and the rear windscreen, that shouldn't be there. This should not be the case with a brand new car. However, it can be explained by the rear windscreen having been replaced – as can the problems that later presented themselves. So, it seems to me that the car was passed to Mr A with the windscreen having already been replaced. The dealership says

there's no record of that having happened, and I accept that. But nonetheless, it remains the most likely explanation, given Mr A's photographic evidence. I think, on balance, it's far too much of a coincidence otherwise.

For these reasons, I think it fair that Arval arranges and pays for all of the repairs. This should include replacing the windscreen with a genuine VW part – as Mr A is paying to hire a brand new car, with original parts. Further, I'm satisfied that Mr A's had impaired enjoyment of the car, given these issues. Arval has already offered a month's free rental, and I think this is fair. Finally, I think the matter has caused Mr A a level of distress and inconvenience, and that £100 compensation is fair to reflect this.

For the reasons given above, it's my provisional decision to uphold this complaint. I'm minded to require Arval UK Limited to:

(a) arrange and pay for:

- (i) the rattle to be investigated, and any debris removed;*
- (ii) the cracked spoiler and taillight to be repaired or replaced, as appropriate to ensure they are as new;*
- (iii) the windscreen to be replaced with a genuine, new VW one; and*
- (iv) the spoiler to be attached back to the rear windscreen;*

(b) credit Mr A with one month's hire, to represent his impaired enjoyment of the car; and

(c) pay him £100 for the distress and inconvenience caused.

Arval responded, to say it agreed to:

- credit one month's rental to the value of £378.93;
- pay £100 for the inconvenience caused;
- investigate the rattle and remove any debris attributed to this;
- repair the cracked spoiler and taillight;
- replace the windscreen; and
- fix the spoiler back to the windscreen.

It added that it might be easier for Mr A to book and pay for the windscreen, and it would reimburse the cost as an immediate payment.

Mr A was unhappy with this. He explained that Arval had already paid him the amounts set out above, before waiting for my final decision. Also, it paid him what he currently makes as a monthly payment – rather than what he initially paid, which was higher.

Further, he isn't prepared to arrange for the replacement windscreen himself, given the inconvenience he's already experienced.

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 see no reason to depart from my provisional decision. But – with two important clarifications.

First, I think it fair that the payment of a month's hire should be at the higher rate Mr A was paying before. I think on balance this is fairer, given that the issue existed at the time he was paying this amount. As Arval has already made a payment, it should increase this to reflect my clarification.

Second, I agree with Mr A that Arval should arrange for the windscreen replacement (along with the other repairs). It seems to me that these should all be done at the same time, as they link in with each other. So, it should book the car in, at a garage local to Mr A and at a date convenient to him, and arrange payment itself directly with the garage. I think it fair and practical that Mr A takes the car there himself.

Finally, I'm aware that Mr A is unhappy that Arval made an initial payment, before waiting for my final decision. But I'm satisfied this caused Mr A no detriment, and was done in good faith. And, as set out above, I've explained how this should now be increased.

Putting things right

To put things right, Arval UK Limited should:

(a) arrange and pay for:

- (i) the rattle to be investigated, and any debris removed;
- (ii) the cracked spoiler and taillight to be repaired or replaced, as appropriate to ensure they are as new;
- (iii) the windscreen to be replaced with a genuine, new VW one; and
- (iv) the spoiler to be attached back to the rear windscreen;

(b) credit Mr A with one month's hire (insofar as it hasn't already), using the higher monthly rental figure, to represent his impaired enjoyment of the car; and

(c) pay him £100 for the distress and inconvenience caused (which I understand it has already done).

My final decision

For the reasons given above, it's my final decision to uphold this complaint. I require Arval UK Limited to take the actions set up above, in the section entitled 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 February 2024.

Elspeth Wood
Ombudsman