

The complaint

Mr W complains about a car he acquired with finance provided by Secure Trust Bank Plc, trading as V12 Vehicle Finance (“V12”).

What happened

In April 2023, Mr W entered into a regulated hire purchase agreement with V12 in relation to a used car. The car was eight and a half years old, its cash price was £7,067, and its mileage was around 61,500 miles.

In August 2023 the car broke down. Mr W complained to V12. Following an independent inspection in October, V12 agreed to repair the car, which was returned to Mr W in December. In the meantime V12 had not provided him with a courtesy car, so he used taxis to get to work (and lifts from colleagues when possible). V12 refunded £200 of taxi fees, and also offered him £150 for his inconvenience. However, Mr W says he spent much more than that on taxis, and he asked for a further £1,250 (£50 per day). He says that as a result of not being paid for his travel expenses, he was unable to afford his car insurance premiums, leading to his policy being cancelled.

Mr W says that when he collected the car, the garage staff were rude to him, and they had apparently driven it 132 miles.

Mr W brought this complaint to our service. Our investigator upheld this complaint in part. He did not uphold Mr W’s complaint about the car breaking down, because V12 had had it repaired at no cost to him, which was all it was legally obliged to do. But he accepted Mr W’s evidence about the taxi expenses, and he recommended that V12 refund them in full. He also thought that V12 should pay refund Mr W one of his monthly payments under the agreement (£164.21), pay him £300 for his inconvenience (instead of £150), and refund him for a £38 travelcard.

V12 did not accept that opinion. It distrusted the evidence of the taxi expenses (receipts), and as Mr W says he paid for the taxis in cash, there is no corroborating evidence. It said Mr W had changed his story about how he’d paid for the taxis. It pointed out that Mr W had originally claimed £200, and this had only increased to £1,450 once he complained to our service. It asked for an ombudsman’s decision.

I wrote a provisional decision, which read as follows.

What I’ve provisionally 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 am not minded to award as much compensation as my colleague recommended. I will explain why.

Firstly, although the car was not in satisfactory condition when it was provided to Mr W, I am satisfied that V12 has since repaired it (at its own cost), which it was entitled to do under the Consumer Rights Act 2015. So it only remains for me to decide what would be fair compensation for Mr W's inconvenience and his consequential losses.

There is nothing in the hire purchase agreement which says that V12 will provide a courtesy car while the car is being repaired. So I don't think it is right that Mr W should be awarded refunds of both one monthly payment and his alternative travel arrangements as well, because that amounts to double recovery. He should get one or the other. Or rather, he should either get his travel expenses, or he should get a refund of *four* monthly payments (£656:84), since he was without a car for four months, from August to December.

I don't think V12 is liable for the conduct of the garage staff. It's only liable for the condition of the car.

As I've said, the main issue in dispute is the adequacy of the taxi receipts Mr W has provided as evidence of his travel expenses.

V12's reservations about the taxi receipts were as follows:

- All of the receipts were from the same driver, and it did not seem plausible that the same driver had driven him each and every time (58 journeys in total);
- Each receipt appeared to have been signed with a different pen to the pen used to fill in the rest of the information about each trip (date, price, pick-up location and destination);
- Many of the receipts had been signed in exactly the same position, as if they had been copied;
- Some of the signatures were exactly identical to each other, also as if they had been copied;
- Most of the receipts were provided late, even though Mr W had had the opportunity to provide them earlier;
- Mr W had originally said that the taxi journeys had been pre-paid, but when he was asked to provide his bank statements as proof of payment, he said he had made all of the payments by cash – but if the latter was true, then this suggested that he was paying for each journey one at a time, rather than pre-paying;
- Mr W appeared to have provided photos of photocopies of the receipts, rather than photos of the originals (he has since provided our service with photos of the originals);
- There might have been cheaper transport alternatives available.

Mr W has explained that he would pre-book a taxi each day, the day before he needed it, and then pay cash on the day. He says that the alternative travel options were not convenient. That may be true, but I agree with most of V12's other observations. I will explain why.

The receipts are printed template cards, in which the details of each trip are handwritten by the driver and signed. Each taxi journey cost £25, and there were two each day.

Some of the evidence that Mr W provided consisted of photocopies showing up to ten receipts per page. I will describe two of these pages now, and I will refer to them as page 1 and page 2.

Page 1 shows ten receipts (in two columns of five, with the corresponding outward and return journeys next to each other). It shows pairs of receipts for 13, 17, 18, 19, and 23 October. Page 2 shows five pairs of receipts for 24 October and 6, 7, 9, and 13 November.

I compared both pages with each other carefully, and found that each of the signatures on page 1 were exactly identical to the signatures on page 2, both in their appearance and in their positions on the page. That is, the signatures on the 13 October receipts precisely match those on the 24 October receipts; the 17 October receipts match the 6 November receipts, and so on. So it appears that two copies of the same pages of signed – but otherwise blank – receipts were made, and then they were filled in with different dates.

The same thing can be observed on what I will call pages 3 and 4, where page 3 is the one with the receipts dated 15, 16, 24, 25, and 26 November and page 4 has the dates 30 November and 3, 4, 6 and 7 December. That is, the signature on the top left of page 3 precisely matches the signature on the top left of page 4, and so on; all ten of them match exactly.

I then compared pages 1 and 3, and realised that they match too. So there are actually four identical copies of the same page, each one filled in with different dates.

In addition, I also find the following other matters to be rather suspicious.

Two very different signatures appear on the receipts, both of them purporting to belong to “Driver 11”. They cannot belong to the same individual, and the dates are not consistent with one driver having been replaced with another. Indeed, on 23 October both trips were carried out by Driver 11, with one signature on the outward trip and with the other signature on the return trip. The same thing appears again on the receipts for 13 November – see the bottom left receipts on photocopy pages 1 and 2, respectively. And, of course, the same thing is present on pages 3 and 4 too.

Two more receipts appear to have originally been dated 17 September 2023, and then altered by changing one of the 17s to an 18, and changing the other 17 to either a 14 or a 19 (it isn’t clear which). The first of these could be explainable as an honest mistake by the taxi driver putting yesterday’s date and then correcting it, but the other is harder to explain. And I note that V12’s contact notes show that Mr W told V12 in a phone call that he was about to start a new job on 18 September, so it’s unlikely that he was travelling to work on 17 September 2023 – which was a Sunday.

Most of the receipts have clearly been signed using a different pen to the pen that was used to fill in the rest of the information. If this was the only suspicious feature, I might have supposed that the taxi driver could have pre-signed them, but in view of all the matters I have written about above, I doubt it.

So on the balance of probabilities, I do not think that any of the receipts are reliable evidence, and I do not accept this evidence. For that reason, I propose to order V12 to refund four of Mr W’s monthly payments instead, and to pay him £150 for his inconvenience, making a total of £806:84.

Responses to my provisional decision

V12 accepted my provisional findings without comment. Mr W made some further points. He said he had started his new job in January 2023, not September. He reiterated that he had been struggling financially, and waiting such a long time for his car to be fixed had caused him a lot of stress. He said that the dealership had covered the repair under warranty.

I have reconsidered this case in light of these points, but I still remain of the same view.

I take this opportunity to remind V12 that Mr W is in some financial difficulty, and so it has an

obligation to treat him sympathetically and positively.

My final decision

My decision is that I uphold this complaint, and I order Secure Trust Bank Plc to pay Mr K £806:84.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 22 August 2024.

Richard Wood
Ombudsman