

The complaint

Miss C complains about the vehicle "just add fuel" charges she incurred when her hire purchase agreement with Stellantis Financial Services UK Limited came to an end.

What happened

In or around 2020 Miss C acquired a car financed through a hire purchase agreement with Stellantis. Miss C said in December 2023 she was nearing the end of her 37 month "just add fuel" agreement.

She said her last payment under the contract was the balloon payment due on 23 January 2024. Miss C said the "just add fuel" was a product sold with everything included within one payment – tax, insurance, servicing, breakdown cover etc. Miss C said she made the final monthly payment on 27 December 2023. She said as she approached the end of December all of the services expired – tax, insurance, and the MOT expired due to the car being older than three years.

Miss C said she was sold the agreement as an all-encompassing deal and therefore would never have been expected to be in the position without these services. She said she received no correspondence from the dealer in relation to the above matter – aside from an insurance renewal notice from Stellantis. She said she was left out of pocket having to purchase additional short-term insurance of £120 due to the office being closed over Christmas and not needing a new annual policy, cover the cost of the MOT £50, and tax the vehicle £16.75. She said she'd never expected to have to pay these charges as she was still under the agreement. Miss C said if these services were not to be included in the final month of the agreement she questioned why her payment made on 27 December 2023 was the same amount as every other month. Miss C said she complained to the dealer initially and then brought a complaint to Stellantis.

Miss C said she received very little correspondence from Stellantis, despite complaining in January 2024. She said she didn't receive a final response letter so brought her complaint to this service.

Our investigator requested the business file from Stellantis. But in the end didn't receive it and had to issue his view without it. He said without any evidence to indicate otherwise it seemed unfair that Miss C had had to pay these costs when previously told she would not be liable for these associated costs through her just "full add fuel" agreement.

Stellantis responded to the investigator's view. It said Miss C's "just add fuel" policy was for 36 months. It said this was standard for all "just add fuel" insurance policies. It said it didn't administer insurance it only administered the payment of the policy. Alongside these comments Stellantis provided images of the particular term in the agreement. Our investigator asked Stellantis several times to provide a readable dated copy of the agreement. This was not received, so the complaint has come to me for a decision.

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 seen the customer copy of Miss C's hire purchase agreement provided by Ms C herself. There are no dates on the agreement. The only date on the page is in the bottom corner saying printed on 24 June 2020. So it's not clear to me exactly when the agreement started.

I can see a schedule of services on what I believe is the last page of the agreement. It says 'type of service' and 'description' including motor insurance premium and 'just add fuel contribution'. Under services charges it says the first services payment (£49.53) is to be paid one month after the agreement date, followed by 35 payments (£49.53) due monthly thereafter. A screenshot of this table was supplied by Stellantis in response to our investigator.

The agreement goes on to say:

"The services listed in the schedule are on a pay-as-you-go basis and can be cancelled at any time without penalty. The sums due in respect of the services, if any, will be added to the monthly amount shown on the front of this agreement and will be collected at the same time as those monthly instalments."

On the front of the copy of the agreement I've seen it says the duration of the credit agreement is 37 months. So, the finance agreement is one month longer than the schedule of services. But there are no dates.

Stellantis also said the end date for the motor insurance is reiterated in the two end of contract reminder letters it sent the customer as well as section 3.3 of the services terms and conditions that accompany this agreement. Miss C said she didn't receive this communication.

I'm not disputing what Stellantis has said. The finance part of the agreement does say it is 37 months and the services part of the agreement is for 36 months (one month +35 months). But in the absence of a dated agreement it is not possible to say when the agreement started and when the agreement came to an end. Our investigator asked repeatedly for a dated copy of the agreement to which we received no responses.

The rules that govern our service say

DISP 3.5.9R

The Ombudsman may:

(3) reach a decision on the basis of what has been supplied and take account of the failure by a party to provide information requested;

and DISP 3.5.14R

If a respondent fails to comply with a time limit, the Ombudsman may:

(1) proceed with consideration of the complaint; and

(2) include provision for any material distress or material inconvenience caused by that failure in any award which he decides to make.

As I haven't seen a dated copy of the agreement and Stellantis has failed to provide one within a reasonable time I'm not persuaded it was clear when the agreement started and finished and when the period of 37 months versus 36 months started and finished. So I don't

think it reasonable that Miss C should have to pay those costs. In addition, in his request for a dated agreement our investigator requested Stellantis consider the delays in its response to our services requests. He recommended that based solely on the delays it would be fair to Miss C to pay the recommended redress, which included an additional £50 for the distress and inconvenience caused by the issue, to resolve the complaint. And I agree.

Putting things right

To put things right Stellantis Financial Services UK Limited must:

- Refund the payments made by Miss C for tax, insurance and MOT. Miss C should provide receipts to Stellantis.
- Pay simple 8% yearly interest on the refunded amounts.
- Pay Miss C an additional £50 for the distress and inconvenience caused by the issue.

My final decision

My final decision is I uphold this complaint and Stellantis Financial Services UK Limited must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 27 February 2025.

Maxine Sutton
Ombudsman