

## **The complaint**

Miss B has complained about the cost of a 'peace of mind' pack added to her finance agreement with Carfinance247 Limited ('CF247').

## **What happened**

In April 2023, Miss B entered into a finance agreement with CF247 for a used car.

Soon afterwards, she noticed she'd been charged for a 'peace of mind' pack. When she queried this, she was told it hadn't been mandatory, but was in fact optional. Accordingly, CF247 agreed to refund her for it, provided she returned it. Although she did return it, she didn't receive the refund, and she didn't receive meaningful responses to her continued attempts at contact. CF247 had also offered her £50 as a gesture of goodwill, but Miss B didn't think this was enough. She then referred her complaint to our service.

Our investigator recommended that Miss B should be refunded in full for the care pack, as had been agreed. He also thought she should be paid £150 compensation (the £50 already offered, plus a further £100), for having been mis-sold the care pack, and for not providing the agreed refund.

The complaint's now been passed to me.

## **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'm upholding it.

It's clear that it was agreed the 'peace of mind' pack would be refunded in full, so this is what should happen. I'm aware the cost of it was spread across the agreement, so this is why I'm not awarding interest on the refund, as it wasn't fully paid for upfront. She should also be refunded the £10 postage costs, for returning the pack.

I can also see the matter has caused inconvenience, which has persisted, due to the agreed refund not materialising, despite Miss B's repeated efforts. So, I agree that a total of £150 should be paid to address this aspect of the complaint.

## **Putting things right**

To put things right. CF247 should:

- refund Miss B the cost of the 'peace of mind' pack, in full, along with the £10 postage cost; and
- pay her £150 compensation for the trouble and upset caused.

**My final decision**

For the reasons given above, it's my final decision to uphold this complaint. I require Carfinance247 Limited to take the actions set out above, in the section entitled 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 18 March 2025.

Elspeth Wood  
**Ombudsman**