

The complaint

Ms H complains about issues she experienced when a car supplied under a hire agreement with Arval UK Limited developed a fault.

What happened

In September 2017 Ms H was supplied with a car and entered into a hire agreement with Arval.

On 20 September 2023 the car broke down. The boot wouldn't open, the steering lock wouldn't release, and the immobiliser wouldn't disengage. Ms H called the RAC but discovered that her breakdown cover – which was provided with her hire agreement - hadn't been renewed. This was resolved and the car was recovered to a garage for repairs.

Ms H collected the car on 17 October 2023. A few days later the same issue occurred whilst Ms H was abroad with the car. Ms H returned to the UK and was provided with a courtesy car. Her car had to be transported back to the UK and taken in for repairs. Ms H collected her car in January 2024.

Ms H raised a complaint with Arval about the poor customer experience she'd had. Arval offered to refund £813.70 to cover the time the car had been off the road. Ms H accepted this offer.

In April 2024 the same issue occurred again, and the car was taken in for repair.

In May 2024 Ms H discovered that £325.82 had been taken from her account. The payment was taken by the car hire company who had provided the courtesy car for repairs to the tyre.

Ms H raised a further complaint with Arval. She was unhappy about the repeated issues with the car and unhappy at being charged for the tyre.

In its response, Arval offered to terminate the lease agreement early and take back the car. But it said it didn't agree to pay for the cost of repairs to the tyre on the courtesy car and advised Ms H to speak directly to the car hire company about this.

Ms H was unhappy with the response and complained to this service. She wants the money taken from her account in relation to the tyre refunded, a 50% refund of rental payments for the three months she was without her car from April to July 2024 and compensation for distress and inconvenience.

Our investigator didn't uphold the complaint. In relation to the tyre, he said that the contract with Arval didn't include the provision of a courtesy car should the lease car be off the road. He said that there was a reasonable expectation that a courtesy car would be returned in a satisfactory condition, and that if it was returned with any damage, that damage should be paid for by the driver. In relation to the premiums, the investigator said that whilst Arval had no obligation to provide a courtesy car, it had done so and had kept Ms H mobile, so there was no basis for a refund of premiums as Ms H hadn't been left without transport. The

investigator said that overall, Arval had acted within the expectations of this service by providing a courtesy car, offering to terminate the lease agreement early and offering a settlement for the issues which pore dated February 2024.

Ms H didn't agree. She said she acknowledged that she'd accepted a settlement for the issues between September 2023 and February 2024 on the basis that Arval agreed to follow up her complaint about Nissan. Ms H said that this hadn't happened. Ms H said the car had broken down again and was off the road between April to July 2024. She said that Arval hadn't provided a courtesy car during this time, but Nissan had. Ms H said that throughout she'd continued to make payments under the agreement, which included payments for a maintenance and service contract. Ms H said that she'd effectively paid twice for the tyres, because she was paying Arval for maintenance (including tyres) on a car she didn't have, and she was charged for the tyre on the courtesy car. Ms H said that Arval had left her to deal with the breakdown and car hire companies and offered her little help.

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 know it will disappoint Ms H, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Ms H has complained about three issues here. These are the repair costs of the tyre on the courtesy car, the rental payments she made between April to July 2024 when she was without the car and the distress and inconvenience caused to her. I'll address each issue in turn.

Repair costs of tyre

I've reviewed the contract between Ms H and Arval. The contract doesn't include the provision of a courtesy car in the event that the contract car is off the road. This means that there's no obligation on Arval to provide or arrange a courtesy car.

In the event that Arval provided a courtesy car as a gesture of goodwill, which is what I believe happened here, this doesn't mean that Arval accept responsibility for any charges which are incurred in relation to the courtesy car, be these charges for damage or fines. Any such charges would be the responsibility of the driver.

Ms H has made the point that she's continued to pay Arval for a service and maintenance contract which includes tyres. Because of this, she says she shouldn't have to pay for tyres on a courtesy car.

I appreciate that it wasn't Ms H's fault that her car broke down. However, as I've explained above, Arval isn't responsible for any damage caused to a courtesy car. The service and maintenance agreement only relates to the lease car. It doesn't extend to any courtesy car.

Refund of rental payments

As I've explained above, the contract doesn't include the provision of a courtesy car in the event that the contract car is off the road. So there's no obligation on Arval to refund rental

premiums if the contract car is off the road.

In this case, I can see that Ms H was provided with a courtesy car to keep her mobile throughout. I appreciate the point that Ms H has made about the courtesy car not being of the same specification as the contract car. However, there's no obligation on Arval to provide a courtesy car at all, let alone a like for like model. Based on what I've seen. Ms H was able to use the courtesy car on a day-to-day basis and it therefore met her needs and kept her mobile.

Customer service

I understand that the repeated issues with the car have caused Ms H a significant degree of frustration and inconvenience. I can see that Arval offered Ms H a settlement for the issues which occurred up to February 2024, which she's accepted. Ms H says she only accepted that offer on the basis that Arval would follow up her complaint against Nissan. She's said that she didn't receive any remediation from Nissan.

I'm not persuaded that the failure by Arval to negotiate a successful outcome of Ms H's complaint against Nissan means that the settlement offer she accepted for issues which occurred up to February 2024 has been compromised in any way.

I'm only able to look into the complaint against Arval so I can't comment on the merits of any complaint against Nissan. I'm aware that Ms H has made a separate complaint against Nissan which is currently with this service.

I'm aware that the car was off the road again from April to July 2024. I can see that Ms H was provided with a courtesy car during this period. Arval also offered to end the lease agreement early so that Ms H could hand back the car.

Based on what I've seen, I think Arval responded in a fair and reasonable way. I won't be asking Arval to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 27 May 2025.

Emma Davy
Ombudsman