DRN-5583339

The complaint

Mr C complains that Black Horse Limited, trading as Jaguar Financial Services (J,FS) increased the interest rate on a finance offer. He doesn't feel this is fair. To put this right, he would like JFS to honour its original offer or to compensate him for the distress and inconvenience caused.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- I do appreciate Mr C's frustration. He says JFS offered him a Hire Purchase (HP) agreement in February 2022. Unfortunately, the car wasn't available until over a year later at which point JFS increased the interest rate along with the monthly payments.
- There is no dispute that Mr C arranged to get a car via a HP agreement with a 5.9% APR. However he didn't take out, and therefore didn't sign, an actual finance agreement at that point. He did pay a deposit to secure the car. I haven't seen any evidence that this interest rate was guaranteed indefinitely on payment of a deposit.
- The delay in delivery was due to supply chain issues and not, as I can see, the fault of JFS. The car only became available over a year later at which point JfS said it couldn't honour the original interest rate. It has told us its interest rates are only guaranteed for six months although it hasn't evidenced this by way , for example , of a policy document .
- However I don't think it would be reasonable for interest rates to be held indefinitely. After over a year JFS would reasonably have needed to ensure the finance agreement was affordable and appropriate for Mr C and that the APR rate and repayments were appropriate. Similarly I wouldn't have expected Mr C to be bound by the earlier agreement after such a long time as his circumstances might by then have changed. I don't think that JFS's actions were unreasonable, so I can't ask it either to honour the original interest rate or to compensate him as Mr C would like.
- I believe Mr C has had his deposit returned if not JFS should return it. We asked JFS if interest had been paid on the deposit sum but it hasn't as yet responded to question on this. I do think interest should be added to the deposit figure as Mr C didn't have use of that money for some considerable time.
- I appreciate Mr C might have incurred extra costs in waiting for his car but I can't

reasonably say that JFS is liable for these given it can't be held responsible for supply chain issues outside of its control

- Our investigator suggested that JFS pay Mr C £100 for the inconvenience caused by the delay by JFS in dealing with Mr C's complaint. I think that is reasonable as it took JFS nine months to issue a final response letter (frl). We expect these to be issued within eight weeks unless there are exceptional circumstances and I haven't been made aware of any such circumstances.
- I am aware Mr C has raised a number of other issues. We take very seriously any suggestion of discrimination . I have carefully considered all of the information provided. I have seen no evidence to suggest JFS has discriminated against Mr C in any way. And Mr C hasn't given any specific evidence of actual discrimination that I could consider.
- Finally , after our investigator issued his view Mr C commented on a wider general issue in the motor industry of higher interest rates leading to higher commissions. He didn't raise this as part of his original complaint to us ,so has he has already been advised, if he wishes to pursue this he will, in the first instance, need to raise this with JFS. If he is unsatisfied with the response he can, of course, come back to this service.

My final decision

My final decision is that I uphold this complaint.

In full and final settlement Black Horse Limited trading as Jaguar Financial Services should :-

- If it has not done so already, refund Mr C's deposit with 8% simple interest from the date of payment to the date of settlement.
- Pay Mr C £100 compensation for the inconvenience caused by the delay in dealing with his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 August 2025.

Bridget Makins
Ombudsman