

The complaint

Miss H complains that some protection products for a car that was supplied to her under a conditional sale agreement were mis-sold to her by Lithia Financial Services Limited, trading as Evans Halshaw.

What happened

A used car was supplied to Miss H under a conditional sale agreement with a finance provider that she electronically signed in February 2023. The price of the car was £11,288 and the conditional sale agreement included GAP insurance, with a price of £349, and a warranty, with a price of £1,297. Miss H paid a deposit of £2,856.83 and agreed to make 48 monthly payments of £189.01 and a final payment of £4,800 to the finance provider. The dealer and credit intermediary was Evans Halshaw.

Miss H says that she became aware when she was having issues with the warranty for the cost of some repairs that the protection products were optional. She complained to Evans Halshaw in August 2024 that she hadn't been informed that the GAP insurance and warranty were optional at the time of sale and that she'd wanted to keep her monthly payment at about £120. Evans Halshaw said that it was transparent in its dealings with Miss H and provided her with sufficient information at the time to enable her to make an informed decision about the products she was offered.

Miss H wasn't satisfied with its response so referred her complaint to this service. It was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He said that Miss H had signed a customer declaration about general insurance products, an API declaration and the order form which shows that she went through a process in which the products were introduced, their suitability was assessed and she chose to take them.

Miss H hasn't accepted the investigator's recommendation and said that she'd like her complaint to be taken to an ombudsman. She says, in summary and amongst other things that: she hasn't disputed that she signed documents but her complaint is that the dealer never expressed that the products were optional and they were sold to her as part of the deal; she couldn't afford much more than £120 so wouldn't have agreed to optional additional costs; she trusted the dealer as she desperately needed to replace her current car; and she needs to feel that she's done all that she can to expose this. She also says that she was provided with a document showing that her payments were worked out as £179, but she's been paying £189.

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.

Miss H and Evans Halshaw give different descriptions of what happened when the protection products were being sold to her. Miss H says that she wasn't informed that they were optional, that they were sold to her as part of the deal for the car and that she wanted to

keep her monthly payments as about £120, so wouldn't have agreed to pay for any additional products. Evans Halshaw says that it was transparent in its dealings with Miss H and provided her with sufficient information at the time to enable her to make an informed decision about the products she was offered.

Evans Halshaw has provided copies of the customer declaration about general insurance products, an API declaration and the order form that it says were signed by Miss H. The API declaration

The API declaration says:

"To enable us, as a seller of Asset Protection Insurance, to sell the proposed policy to you, we need to establish with you that you have understood the timescales within which we may do so and that you consent to buying the insurance policy from us at this time. If you wish to proceed, please complete the Customer Declaration below".

The API declaration has been signed by Miss H. Miss H also signed an order form and an invoice for the car. Both of those show the price of the car as £10,890 and include individual prices of the two year premium guarantee, customer pack, paint and fabric protection, API, minor damage repair cover and tyre and alloy wheel insurance, and the total price as £12,934. The conditional sale agreement that was electronically signed by Miss H shows that the price of the car as £11,288 and that the prices of the GAP insurance and warranty were £349 and £1,297, so the total cash price was £12,934.

Although Evans Halshaw says Miss H also signed a customer declaration about general insurance products, the date on the declaration is after she entered into the conditional sale agreement, and I'm not persuaded that there's enough evidence to show that Miss H signed that declaration.

I don't know what was said by Evans Halshaw about the protection products, but even if it didn't say to Miss H that they were optional, I consider that it provided her with enough information to show the products and the prices of them that were included and that she ought reasonably to have been aware that she was buying additional products. The price of the car was shown on the order form and invoice as £10,890 and on the conditional sale agreement as £11,288 but the total price that Miss H was agreeing to pay was £12,934 and, if she wanted to keep the monthly cost nearer to £120, and didn't want the additional products, I consider that it would be reasonable to expect her to have asked Evans Halshaw whether or not she needed those products. I've seen no evidence to show that she asked Evans Halshaw whether those products were optional or that she was told that they weren't optional and she had to buy them.

Miss H made a finance application to Evans Halshaw and it provided her with a finance illustration which said that she'd be making 48 monthly payments of £179.81 for the car. It said that the on the road price of the car was £10,890 and that the price of other value added products was £1,695. It also said: *"Please be aware that an approved finance package will be based on your specific credit rating, eligibility and personal circumstances. Rates may vary from the illustrated example below".* The conditional sale agreement under which the car was supplied to Miss H, and which she electronically signed, shows that she agreed to make 48 monthly payments of £189.01 and a final payment of £4,800 to the finance provider.

I've carefully considered all that Miss H has said and provided about her complaint, but I'm not persuaded that there's enough evidence to show that the protection products were mis-sold to her. Miss H has had the benefit of those products and she only complained to Evans Halshaw that they were mis-sold to her after an issue with a claim under the warranty. I

appreciate that my decision will be disappointing for Miss H, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Evans Halshaw to reimburse her for any of the cost of those products, to pay her any compensation or to take any other action in response to her complaint.

My final decision

My decision is that I don't uphold Miss H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 22 December 2025.

Jarrod Hastings
Ombudsman