

## **complaint**

Miss O complains that a hire purchase agreement was mis-sold to her by Renault Retail Group UK Limited and that it incorrectly sent the registration for the car to her mother. She's being helped with her complaint by her representative.

## **background**

Miss O and her mother went to a dealer in November 2015 as they both wanted a new car. A car was supplied to Miss O under a finance agreement and that doesn't form part of Miss O's complaint. She says that the finance application for her mother's car wasn't approved so she also entered into a hire purchase agreement for that car which she signed in November 2015. The registration document for the car was sent to Miss O's mother.

Miss O's relationship with her mother has broken down and she asked the finance provider for an early termination quote to release her from the agreement. But it said that she'd need to return the car - and she can't do so because her mother has the car and is the registered keeper of it.

She complained to Renault Retail which didn't agree that there'd been any fraudulent activity because Miss O signed the hire purchase agreement knowing the car was for her mother. It also said that the dealer had agreed to buy the car back from Miss O and that she had the right to voluntarily terminate the agreement. Miss O wasn't satisfied with its response so complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. He was persuaded that Miss O had sufficient opportunity to make an informed decision prior to going ahead with the agreement and that all parties agreed to the set up at the time.

Miss O has asked for her complaint to be considered by an ombudsman. She's provided the following documents in support of her complaint:

- a letter from her representative to the DVLA confirming that the registration document was submitted by the dealer;
- an insurance certificate showing her as the policyholder;
- forms from the dealer about the finance process;
- an e-mail from the finance provider;
- a voluntary termination letter from the finance provider;
- a response from the police about the car being stolen; and
- e-mails from the information commissioner's office.

She says that the dealer failed to register the car in her name when she took out the finance and that it's acted fraudulently but she has no option but to continue paying for the car because she can't have a default recorded against her. She says that this has been very distressing and unnerving and she wasn't comfortable with having two finance agreements but was forced into the agreement. She says that she can't afford the car and her mother has refused to cooperate or to help to rectify the mistakes. She says the dealer suggested that she try to get the registration document fraudulently changed into her name.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I sympathise with Miss O for the break-

down of her relationship with her mother, the issues that she's dealing with and the financial difficulties that she's experiencing.

Miss O signed the hire purchase agreement and a summary document in November 2015. The summary document said:

*"This is a written summary of an oral explanation about certain features of your credit agreement, which we have asked the dealer to explain to you. This is yours to keep and you can take it away with you, together with the Standard European Consumer Credit Information. You should consider this information. ... By signing below, you are acknowledging that you have been given an oral explanation of the matters referred to above; confirming receipt of this Written Summary and confirming that you have considered whether you can afford the monthly payments under the agreement together with any future change which may occur in your circumstances which might affect your ability to meet your repayment obligations. If you have any questions, please ask the dealer or contact Customer Services ...".*

Immediately above her signature on the agreement it says:

*"This is a Hire Purchase Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms".*

Miss O visited the dealer with her mother and I've seen no evidence to support her claim that she was forced into signing the agreement by her mother or the dealer. The dealer and Miss O have given very different accounts of what happened. I consider it to be more likely than not that Miss O agreed to enter into the agreement for the car to be supplied to her mother and that the dealer sent the registration document to Miss O's mother because that's to whom the car had been supplied. I consider it to be more likely than not that that was acceptable to Miss O at that time because that reflected what was happening. And I don't consider it to be likely that at that stage the potential consequences of that were considered.

The registration document being supplied to Miss O's mother only became relevant when their relationship broke down and Miss O wanted to voluntarily the agreement so needed to return the car. The credit provider says that the agreement can be voluntarily terminated without the need for the car to be registered in the name of Miss O – but she would need to ensure that it's available for collection. And I can see that that's a problem for Miss O. Miss O says that the dealer has suggested that she should fraudulently transfer the registration of the car to her name. She obviously shouldn't act fraudulently and, if it did, the dealer shouldn't have made any such suggestion to her.

This is a family dispute and the issue isn't that the car's registered to Miss O's mother but that she has it and won't return it so Miss O can't voluntarily terminate the agreement. I consider that that issue is best resolved by the family members - to the extent that that's possible. I don't consider that it would be fair or reasonable in these circumstances for me to require Renault Retail Group to take any action in response to Miss O's complaint.

Miss O says that she's suffering financial difficulties. If she hasn't already done so, I suggest that she explains her financial difficulties to the credit provider. It's required to respond to any financial difficulties that she's experiencing positively and sympathetically. It says that if she voluntarily terminates the agreement it will waive any damage or excess mileage charges so Miss O will have no further liability under the agreement and it will be closed.

**my final decision**

For these reasons, my decision is that I don't uphold Miss O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 5 April 2020.

Jarrold Hastings  
**ombudsman**