

complaint

Mr S complains that Volkswagen Financial Services (UK) Limited (“VWFS”) mishandled a parking charge notice for a car he has via a hire purchase agreement.

background

Mr S has a car via a hire purchase agreement with VWFS. In December 2017 Mr S parked the car in a private car park. Mr S says he paid the correct parking charge but either made an error when entering his registration into the ticket machine or the machine itself was faulty as the recorded registration had an extra letter.

In January 2018 a parking charge notice (PCN) was issued for £30 (reduced to £18 if paid within 14 days) as it was said no valid payment had been made when the car park had been used in December 2017. This notice was sent to VWFS as the registered keeper of the car.

VWFS says that in February 2018 it attempted to pass the liability on to Mr S but neither he nor the parking company received any correspondence about this.

The parking company sent reminders to VWFS about the PCN in February and April 2018. Due to the delay in payment the charge increased to £125. VWFS paid this amount and in June 2018 contacted Mr S requesting reimbursement of this amount.

Mr S replied to VWFS saying that he would have challenged the PCN if he had been aware of it as he had paid the correct amount to park in December 2017. He asked for a copy of the PCN to be sent to him by VWFS.

In July 2018 VWFS attempted to deduct £125 from Mr S’s bank account but Mr S instructed the bank to decline this payment. He immediately complained to VWFS. VWFS said that it *“had to ensure the fine was paid to avoid further risk to the vehicle”* and so it cleared the outstanding demand from the parking company. It said that it had credited back £107 to Mr S as it had waived the escalation and admin fees leaving £18 remaining to be paid.

VWFS also said that Mr S could still appeal this matter to the parking company and it had issued a permission letter allowing Mr S to contact the parking company directly over this matter.

Mr S was unhappy at this response and complained again to VWFS that it hadn’t fully addressed the issues he had raised in his complaint. VWFS said it wasn’t upholding Mr S’s complaint and the £18.00 remained outstanding. It said he hadn’t lost his right to appeal the matter with the parking company.

Mr S was unhappy at VWFS’s response and complained to this service. Our adjudicator recommended that Mr S’s complaint should be upheld and the outstanding £18 should be waived by VWFS.

Our adjudicator said that the PCN set out that if it was received by the hirer of a vehicle then it should provide the name and address of the person who had hired the car to the parking company. He said that this didn’t appear to have happened. And although it was recorded on VWFS notes that an attempt to transfer the liability to Mr S had been made he didn’t think a reasonable effort had been made to do so.

Our adjudicator said Mr S wouldn't have been aware a PCN had been issued and VWFS was incorrect to say he could still appeal the notice. This was because once the fine had been paid it was taken by the parking company as an admission of liability.

Our adjudicator said looking at the ticket that Mr S had produced and the nature of the error over the registration number he thought it would be more likely than not that Mr S would win his appeal.

VWFS agreed with our adjudicator's view but Mr S said he thought it was fair that VWFS compensate him for the amount of time and stress caused by dealing with the problem that was entirely of VWFS's making. He said he hadn't seen the full PCN and so was unaware of its terms and conditions and the instructions given if the car was a hired one. He said he didn't think there had ever been an attempt to pass the PCN on to him and he felt VWFS hadn't been open and transparent in how it had dealt with this matter.

Our adjudicator said he agreed VWFS should have passed on a full copy of the PCN when Mr S had requested it. And that the process would have been clearer if VWFS had provided Mr S's name to the parking company when it first received the PCN. But it was VWFS who'd had to absorb the full cost of the PCN as a consequence of not doing so.

Our adjudicator said he thought Mr S would have had the same inconveniences if he'd received the PCN directly from the parking company and there was no guarantee an appeal would have been successful. He said he was satisfied Mr S wasn't in a worse position for VWFS delays. He said he didn't think compensation was warranted in this particular complaint.

Mr S disagreed with our adjudicator's view on compensation. He said he thought he was in a worse position. He said he'd had to send a number of emails to VWFS and spend a vast amount of time dealing with the matter. He said he'd only have had to deal with the parking company's appeal system if the PCN had been passed directly to him. And it was VWFS's failure at the beginning to follow the correct process that had caused him to have to spend his time dealing with the matter.

As the parties were unable to agree the complaint has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's agreed that Mr S parked in this particular car park on the date and at the time stated in the PCN. It's also accepted by Mr S that the registration of his car was wrongly entered into the machine either by human error or due to an error with the machine itself. So the issuing of the PCN itself was nothing to do with VWFS. This notice would always have been issued by the parking company and would have required dealing with.

VWFS received the PCN around a month later. I agree with our adjudicator that things would have been more straightforward had it followed the instructions on that notice to tell the parking company the car was being hired by Mr S and allow the company to deal directly with him. Had it done so then it's clear Mr S would have appealed this notice.

Instead by delaying the notification to Mr S, VWFS caused the PCN cost to rise to £125 as the discount for early payment was lost.

As its agreed Mr S has no liability to pay the PCN, the full amount being covered by VWFS, the remaining issue for me to decide is whether it's fair for VWFS to compensate Mr S for the time taken in dealing with this matter.

Mr S says that it would have been quicker and easier for him to have dealt with the parking company's appeal process than with VWFS's demand for payment for the PCN. But I don't think I can reasonably say that there wasn't a possibility his appeal might have been rejected. And Mr S would still have had to provide a full explanation and a copy of the parking ticket he'd received from the machine.

I agree that when Mr S requested a copy of the PCN from VWFS that he should have been provided with the full documentation and not just the first page. But I don't think VWFS was trying to hide anything by providing this. It was also too late by then for Mr S to have dealt directly with the company as the fine was paid shortly afterwards thereby closing the matter as far as the parking company was concerned.

The outcome of the way VWFS dealt with this PCN was for the fine to increase from £18 to £125. But it's VWFS that has had to absorb that cost and it's agreed this shouldn't be passed on to Mr S.

So, looking at the impact of this matter on Mr S I'm satisfied that had the PCN been passed on to him so that he could have dealt with it directly then he would have inevitably been involved in correspondence with the parking company. Although I accept he had a strong likelihood of winning an appeal it is still possible that the appeal may not have been successful.

And while I appreciate Mr S has found this matter stressful I don't think I can reasonably say it has placed him in a worse position than had he dealt with the PCN himself. So I don't think it's reasonable to ask VWFS to compensate Mr S for the time he has taken dealing with the matter as it's quite possible he would have spent a similar amount of time dealing with the parking company about an error that was not VWFS's fault. And I'm not upholding that part of his complaint. I'm not asking VWFS to do more than waive the outstanding £18.00 charge.

my final decision

For the reasons given above I'm asking Volkswagen Financial Services (UK) Limited to waive the outstanding £18.00 charge but I'm not asking it to do more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 December 2019.

Jocelyn Griffith
ombudsman