

complaint

Mr W's complained that Premium Credit Limited refused to pay his loss of earnings after it made a mistake that led to him being stopped by the police for driving without insurance and his vehicle being impounded.

background

Mr W complained to us after Premium Credit's mistake led to him being stopped by the police for driving without insurance and his vehicle being impounded on 29 March 2018. To resolve that complaint Premium Credit agreed to pay Mr W:

- £584 storage costs while his car was impounded;
- £1,000 compensation for distress & inconvenience;
- £180 additional compensation;
- £400 towards a new insurance policy.

In January 2019 Mr W brought a new complaint to us. He said he'd challenged the conviction in court. And thought Premium Credit should pay for his loss of earnings for the time his vehicle was impounded and when he needed to attend court. He also said his car had been seized by the finance company after being released from the impound, which had caused him to lose further earnings. Mr W said he earned £180 a day and asked Premium Credit to pay him 17 days of lost earnings. He said this had also placed a strain on his relationship and he'd needed to move out of the family home. He said while staying in alternative accommodation his vehicle and tools had been stolen. He thought this had only happened due to Premium Credit's mistake.

Premium Credit said the invoices Mr W provided didn't show he'd lost earnings, only the amount he'd charged when he was working. It said a new policy had been set up on 6 April and it had paid the release fee on 9 April. It said the compensation it had already paid was enough to compensate him for what had happened.

Our investigator didn't think he's seen enough to show Mr W had lost earnings, so he didn't ask Premium Credit to do any more. Mr W didn't agree. He said around £3,000 was a fair and reasonable amount to compensate him for what had happened. He asked for an ombudsman's decision.

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 understand that Mr W's vehicle was impounded on 29 March. He had a new policy on 6 April and the release fee was paid on 9 April. I accept this would have caused Mr W a loss of earnings if he'd had work booked in. But I don't think the invoices he's provided are enough to show what he would most likely have earned during that time. I say that because the invoices show what he's been paid and don't show whether he had work booked in for the days his vehicle was impounded or while he was in court.

Mr W said the finance company seized his car after it was released from the impound. However, I haven't seen anything to show this was Premium Credit's fault.

Premium Credit has already paid Mr W £1,000 for his distress and inconvenience and for not having the vehicle while it was impounded. Given that I haven't seen enough to persuade me of Mr W's lost earnings, I'm not going to ask Premium Credit to pay him anymore.

I also haven't seen enough to persuade me that any difficulties Mr W's experienced in his relationship are down to Premium Credit's mistake. It follows that I don't think it's responsible for any losses caused by Mr W having his tools stolen while staying in alternative accommodation.

I appreciate this isn't the outcome he was hoping for, but I'm not going to ask Premium Credit to do anything else.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 April 2020.

Sarann Taylor
Ombudsman