

complaint

Mr L has complained that Bramall Quicks Dealerships Limited failed to rectify its mistake in recording his registration number, meaning that when he traded his car in, it did not show that he had existing finance outstanding for that car.

background

Mr L entered into a finance agreement for a car. Unfortunately, the dealership – Bramall Quicks – recorded the wrong registration number with the finance provider. Mr L has explained that he realised this and informed Bramall Quicks, to ensure it was corrected.

Just over a year later, Mr L returned to Bramall Quicks to trade in the car. He says he explained to Bramall Quicks that there was still outstanding finance on it. However, it seems that Bramall Quicks searched for the outstanding finance using the incorrect registration number. Accordingly, it meant that the outstanding finance did not show up. Mr L then traded the car in, on the basis there was no outstanding finance.

The correct position then came to light, and Mr L is being held responsible for the finance for both cars. Mr L feels that Bramall Quicks should be responsible for paying off the original finance. Bramall Quicks disagrees, and says Mr L did not make it aware of its original error. but offered to help Mr L to refinance the outstanding amount.

The adjudicator did not recommend that this aspect of the complaint should be upheld, as he was satisfied that Mr L should have realised there was outstanding finance. He also thought that Mr L would have gone ahead with the new agreement, even if he had known about the outstanding finance on the first one. However, he did feel that Bramall Quicks should pay Mr L £100 compensation for its original error in incorrectly recording the registration number. Bramall Quicks agreed to this.

Mr L disagreed, as he says he would not have gone ahead with the purchase of the second car, had he known about the outstanding finance. He also feels the suggested compensation is inadequate. Accordingly, the complaint has been passed to me for my final decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It is not in dispute that Bramall Quicks made an administrative error when it gave the incorrect registration number to the finance company. Looking at the evidence I have, I can see it was out by one digit. I agree with the adjudicator that £100 compensation is appropriate to address this initial error.

I now need to consider whether this initial error means that Bramall Quicks should be responsible for the outstanding finance for the first car. I do not consider that it does, for the reasons I explain below.

I am not persuaded that, just over a year after entering into a finance agreement for a high amount, Mr L would reasonably think he had fully paid it off. Accordingly, when he went into Bramall Quicks to trade in the car, I would have expected him to know there was outstanding finance. When Bramall Quicks said there was not, I feel Mr L should have queried this and

not accepted it to be the case without further investigation. This is partly because he was only just over a year into the agreement, and partly because he was aware there had been an issue with the recording of the registration number with the finance provider.

I am also satisfied, on balance, that Mr L would still have entered into the new agreement. This is because when he went to trade in the car, I feel he should reasonably have known that he had outstanding finance, but was intending to buy a new car regardless of this.

my final decision

For the reasons given above, it is my final decision to uphold this complaint in part. I require Bramall Quicks Dealerships Limited to pay Mr L £100 compensation. I make no further award.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L to accept or reject my decision before 24 April 2015.

Elsbeth Wood
ombudsman