complaint

Mrs G complains that G3 Remarketing Limited have overcharged her in relation to damage to a vehicle that she returned to them under a hire purchase agreement.

background

Mrs G bought a car under a hire purchase agreement with another company. Under the terms of that agreement, she returned the car to G3.

It is agreed that Mrs G was liable under the terms of the agreement for damage caused to the car beyond normal wear and tear.

Mrs G says that the car was inspected at her home before being taken by G3. She says this inspection identified some staining and one area of minor damage, which she agrees.

Mrs G says that the car was returned with £10 worth of petrol in the tank and having had a recent MOT. She says that the G3 representative who took the car told her that the MOT had been unnecessary.

Mrs G later received confirmation that another inspection had been carried out, which had identified more damage. The cost of repair was given as £592, which was to be charged to Mrs G.

Mrs G says that the damage had not been identified when the car was collected. She questions whether the car which had been inspected was in fact the car she had returned.

G3 says that the terms of the return of the car were clear. There would be a second inspection of the car by an independent assessor, and this would override the first.

The car was sold without the repairs being carried out. G3 say that it was sold for £200 less than the expected value of the car if it were undamaged. It says that it would not be fair to charge Mrs G more than that, and has reduced the amount that it is claiming to this.

Mrs G says that she should not be responsible for the car being sold at a low value, and that she wants to inspect it herself.

The investigator considered that this reduction was a fair outcome. They thought that the amount outstanding should be reduced to £200.

Mrs G did not agree and so this has come to me for a final 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.

Having considered the terms of the agreement, and the correspondence in relation to the return of the car, I am satisfied that G3 is right to say that the second inspection is the relevant one for the purposes of assessing damage.

The reasoning is that it is carried out independently and in controlled conditions. This is both what was agreed and a fair way of dealing with the question of damage.

I have considered the reports and am satisfied that the car being assessed was the same in both. The matching model and registration number are enough to demonstrate this.

Mrs G was responsible for ensuring that the car had a valid MOT. If she was told otherwise, then this was a mistake. But I do not think that this mistake cost her anything. I am also satisfied that the petrol left in the car is not something for which she should be compensated.

While I understand Mrs G's wish to inspect the car, I cannot see how this would impact the amount owed under the agreement. And the car has been sold in any event.

I think that Mrs G would have been responsible for the identified damage which was assessed as being more than wear and tear. But G3 have taken into account the actual sale price of the car. Given that this is a sizable reduction on what was owed, I agree that this was a fair response to the complaint.

my final decision

For the reasons given above, G3 Remarketing Limited must reduce the amount outstanding under the agreement to £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 17 August 2017.

Marc Kelly
ombudsman