

complaint

Mr D complains that Banque PSA Finance, trading as Peugeot Financial Services, ("PFS"), unfairly charged him for damage to his car, an incomplete service history and a missing document at the end of his hire purchase agreement. The complaint is brought on Mr D's behalf by Mrs D, but for ease, I shall refer below to all actions being taken by Mr D.

background

Mr D acquired a new car in December 2010 with finance provided under a hire purchase agreement with PFS. Just before the end of the agreement, Mr D agreed with PFS that he could return the car to a dealership ("Q"), as he was due to be on holiday at the end of the agreement when PFS would have collected the car.

When Mr D dropped the car off at Q, Q briefly completed some parts of a form. Its comments included that the car had a full service history, that there was a dent on the offside rear door and that the alloy wheels were all good. Mr D was then surprised to receive a bill from PFS for £1,619 for two abortive collection fees, items of disrepair, a missing service history and a missing V5c form. PFS then agreed to remove the cost of the second aborted collection fee, and £304 for the cost of repairs to the left front wing and the left front door. But Mr D was still unhappy with the rest of the charges.

The adjudicator concluded that PFS's offer to remove the initial aborted collection fee and pay £50 compensation, leaving a total of £815 to pay, was reasonable. She noted that the service book history only showed one service, that the V5c was not present on collection, and that there was damage to two alloy wheels, and to two of the doors. So she said that PFS was entitled to charge Mr D for these.

Mr D disagreed and responded to say, in summary, that he accepted that there was only a slight scratch on the door that he agreed to pay for. But, he said that he had otherwise returned the car in good repair and this was confirmed by Q's report. He also disagreed with the gouges to the alloy wheels and referred to the dealership's confirmation that these were "all good". Whilst the service book did not show all the service stamps, Mr D produced a receipt for the service in July 2012. He also did not understand why he had to pay £100 for the missing V5c, when it only cost £25 to obtain this online.

my findings

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

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I can see that Mr D's hire purchase agreement terms and conditions, which Mr D agreed to observe by signing the agreement, included the following terms:-

- To be responsible for loss or damage to the car even if it was not Mr D's fault;
- To keep the car in good condition;
- To return the car at the end of the agreement in good condition;
- To return the car at the end of the agreement with its registration documents.

The company ("V") which checked the car for PFS has provided photographs of all the damaged items. V's photos also show that the service history is incomplete, with only one service in 2012 shown. V also said that the V5c was not provided with the car. I have looked at V's photos and am satisfied that these evidence the damage for which PFS is seeking reimbursement.

I can understand that Mr D is unhappy that the items of disrepair shown in V's photos were not shown in Q's form. He also explained that Q had confirmed that its system showed that Mr D had a full service history. But, I can see that Q was not PFS's agent for the purpose of checking the car's compliance with the agreement terms. I can also see that the form it had briefly completed was not intended to be a full detailed inspection of the car, and many parts of the form were not completed. So, I am not persuaded that there is sufficient evidence to confirm that the damage shown in V's photos had not occurred when Q carried out its inspection.

Mr D said that the damaged items could have arisen after he dropped the car off, and he also refers to the car having been repaired in October 2013. But, I can see that the car could have suffered damage between its repair in October 2013 and Mr D handing it back in mid-January 2014. So, on balance, I cannot safely conclude that Mr D was not responsible for the damage to the car.

Mr D is unhappy that PFS has charged £100 for the missing V5c, and he said that it only cost £25 to replace this online. But, as the V5c was not provided with the returned car, I cannot say that PFS's charge is inappropriate.

Mr D is also unhappy that he has been charged for an incomplete service record. He has produced evidence of the 2012 service, but I can see that this is the only service shown in the service book. Whilst I agree that it is unfortunate that his other service was not recorded in the service book, I can understand that PFS would have wanted to have been supplied with a full service history at the end of the agreement. So, I cannot conclude that its charge for this aspect of Mr D's complaint is inappropriate.

Having carefully considered the circumstances of this complaint and for the reasons set out above, on balance, I agree with the adjudicator's recommendation that PFS removes its initial aborted collection fee and pay £50 compensation. I do not consider that I have the grounds to require PFS to waive the outstanding balance of £815.

my final decision

My decision is that I uphold this complaint in part. In full and final settlement of it, I order Banque PSA Finance, trading as Peugeot Financial Services, to remove its initial aborted collection fee and to credit Mr D's account with £50 compensation, leaving a balance due of £815.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr D to accept or reject my decision before 15 June 2015.

Roslyn Rawson
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