

## **complaint**

Miss S complains that Sytner Group Ltd ("Sytner") misrepresented a finance agreement to her.

## **background**

Miss S has been represented by a friend throughout this process but for ease I will refer to Miss S throughout this decision.

Miss S signed a hire purchase agreement in September 2015 to fund the lease of a used vehicle. She complained to Sytner that the wrong model was recorded on the finance agreement. She said this meant the final payment was higher than it should have been as that model had a higher residual value. She said that if she'd known that at the time she would not have proceeded with the deal and would not have chosen to include the paint protection policy and GAP insurance in the finance arrangement.

She also complained that:

- the wrong APR was recorded and she'd agreed a much lower rate;
- the model number had subsequently been changed on the finance agreement without her agreement.

Sytner agreed that they'd recorded the wrong model but believed this was a genuine error. They explained that both vehicle models would have had the same monthly repayments and the same residual values so Miss S hadn't been financially disadvantaged. They said the finance company had changed the agreement to record the correct model when the mistake was identified and they explained that they were able to do this as there was no change to the financial details in the agreement.

They went on to consider the APR that had been listed. They noted that Miss S had been sent the finance documents beforehand and they noted that the APR she was being charged had been clearly listed. They didn't think there was any evidence that a different figure had been quoted and they noted that Miss S had signed the forms showing her agreement with this APR and with the costs for the GAP insurance and the paint protection policy. So overall, they didn't think they'd done anything wrong.

But Miss S disagreed and she therefore referred her complaint to this service where our adjudicator provided his opinion. He could not find any further evidence that Miss S was informed the APR would be any different and he noted she signed to agree to the rate detailed on the agreement and to the GAP and paint protection premiums. So he didn't think there was sufficient evidence to suggest Sytner had made a mistake in these areas.

He went on to consider if there had been any impact on Miss S by the company recording the wrong model number. He thought there had been an administrative error here as he noted the registration plate of the (wrong) car that had been recorded on the finance agreement was very similar to the registration number of the car Miss S was financing. He looked at the invoice that had been provided and he noted this was for the right car – the one Miss S received. He said the balance of that invoice which should have been financed was £14,464.13 but he noted the actual finance agreement had financed a little less, at £14,350. So he thought Miss S had actually had to pay £114.63 less than she should have and he didn't think there was evidence she'd been financially disadvantaged.

He looked at the various comparison quotes that had been provided by Sytner and Miss S and he noted they didn't agree. He thought it impossible to back date the quotes but he didn't think there was sufficient evidence to suggest Miss S had struggled to change her car because of a difference in models of car that had been quoted. He thought it was more likely to be because of the type of finance agreement and that as she'd tried to change her car after only ten months, the relatively low repayments would have made the cost of the change prohibitive.

So the adjudicator didn't think it would be fair to ask Sytner to take any further action. But Miss S disagreed. She provided a detailed response in which, amongst other points, she said it was against the law to change a finance agreement. She said her signature had been forged on the finance document and she disputed Sytner's suggestion she'd been notified of the change. She noted that the finance company's internal records suggested they'd accepted there was a difference in value and she also stressed that it would be virtually impossible for two vehicles to have the same residual value. She therefore asked for a final decision by an ombudsman.

### **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 don't think there's evidence here that Miss S would not have proceeded with this deal if she was aware the finance agreement had been constructed using the wrong model. I don't think there's sufficient evidence that she's been disadvantaged by the administrative error and I don't think there's sufficient evidence the APR wasn't what was agreed and the GAP and paint protection policy was mis-sold.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file. Miss S has provided very detailed responses throughout and I won't refer to all of her points. I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss S acquired her car under a hire purchase agreement. The relevant law says that the agreement should not have been misrepresented. If it was and if I thought Miss S would not have proceeded had she been given the correct information, I'd ask Sytner to put this right.

#### *what was the impact of the wrong model being listed?*

I'm not persuaded that this has made any tangible difference. The balance on the invoice is a little more than the finance payable on the car Miss S took receipt of. So it's clear Miss S has benefitted from this.

There's a dispute about the residual values that would apply and I can understand Miss S's point that residual values on different models are unlikely to be the same. It seems the finance company have accepted that there may have been a difference in the residual values but they've agreed not to change them and to hold the higher residual value. So Miss S is also benefitting from this.

I think the reason Miss S was unable to change her vehicle so soon was much more likely to be because of the type of finance agreement she'd entered into. The relatively low monthly repayments meant that the sum still owed was prohibitive.

And even if the figures were misrepresented I don't think there's evidence here that Miss S would not have proceeded with the agreement if she'd known. It seems the deal she ended up with was, if anything, a little cheaper than she could have expected.

*was the APR, GAP and paint protection policy misrepresented?*

Miss S was given a chance to review the documentation prior to signing the agreement. The APR is clearly stated and whilst Miss S insists she was promised a lower rate; Sytner disagree. In the absence of any other evidence I don't think there's enough to suggest the APR, GAP or paint protection premiums were mis-sold. They were as advertised.

*were the finance company right to change the finance agreement*

Any complaint about the way the document was changed would more properly be made to the finance company as Sytner are only responsible for antecedent negotiations – those conducted before the agreement was taken out.

Overall, I don't think Sytner need to take any further action.

### **my final decision**

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 28 March 2020.

Phil McMahon  
**ombudsman**