

The complaint

Mr H is unhappy because Leasys UK Ltd refused to waive three months payments.

What happened

In January 2022 Mr H was supplied with a car and entered into a personal contract hire agreement with Leasys.

Mr H experienced issues with the car and it was returned to the dealership for repairs. Mr H was without the car for around three months whilst the repairs were carried out. During this time, he was provided with a courtesy car.

Mr H raised a complaint with Leasys about the quality of the car. He also sought compensation for the time he'd been without the car.

On 2 January 2023 Leasys acknowledged that Mr H had been without his car from 20 September 2022 to 13 December 2022. It said he had been provided with a courtesy car during this time and offered him a refund of 50% of the monthly instalments made during this time (£259.93).

Mr H responded on 9 January 2023 and said he didn't accept the offer of £259.93. He said he wanted three months instalments (£519) waived as well as £65 compensation for extra fuel he'd used in the courtesy car. Mr H said that once he had received this amount, he would re-instate his direct debit.

Leasys responded on 13 January 2023 and offered a refund of two months instalments (£346). Mr H responded the same day and asked Leasys to deposit £346 into his account. He said he would reinstate his direct debit as soon as he received his compensation.

Leasys didn't waive Mr H's payments, so he brought his complaint to this service. He said he disputed Leasys demands for three months rental charges and said he'd made it clear in his email dated 9 January 2023 that he wouldn't be paying rentals for three months. Mr H said he'd accepted the compensation of £346 based on three months rentals being waived as well.

Our investigator didn't uphold the complaint. They said they couldn't see any evidence to suggest that Leasys had agreed to waive three monthly payments as well as paying compensation of £346. The investigator said the offer of £346 was fair because Mr H had been kept mobile during the period his car was being repaired.

Mr H didn't agree. He said he'd asked Leasys (in his email dated 9 January 2023) to be reimbursed for three months instalments as well as monetary compensation.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've reviewed all of the emails which passed between Mr H and Leasys.

Based on what I've seen, it's clear that Mr H rejected Leasys first offer of £259 compensation. In his email dated 9 January 2023, Mr H wrote:

"I would like to be reimbursed the full 3 month of my instalment plan which is 519 GBP and not to be charged for these 3 months at 173 GBP a month. I will not accept a 50% compensation of my instalment plan as originally suggested. With the 65 GBP incurred in extra fuel charges, this brings the total compensation to 584 GBP. Once I've received this amount I will reinstate my direct debit of 173 GBP."

When Leasys replied to Mr H on 13 January 2023 it said:

"I have spoken to Leasys and they have agreed to offer you £346 at 2 monthly instalments instead of the previous offer. We would not be able to offer you 3 monthly instalments as you were in a courtesy vehicle. We have increased our offer to £346.00 please let me know your thoughts".

Mr H responded to this email and said:

"Hi. Sure, ok, please deposit £346 into my account details provided and I will reinstate my direct debit mandate as soon as I've received my compensation."

Having reviewed these emails, I haven't found any evidence to suggest that Leasys agreed to waive three monthly payments as well as paying £346 compensation. Further, I can see that Mr H accepted the offer of £346.

Based on what I've seen, I can't say that there was an agreement that Leasys would pay £346 compensation and waive three monthly payments.

I've considered the compensation paid to Mr H. I think the sum of £346 (two months rentals) is fair and reasonable, taking into account that Mr H was provided with a courtesy car throughout the period that his car was in for repair.

For the reasons I've explained, I'm unable to uphold the complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 November 2023.

Emma Davy
Ombudsman