

The complaint

Mr M complains that Alphabet (GB) Ltd ("Alphabet") incorrectly recorded him as the second keeper of a car he acquired with an agreement he took out with them.

What happened

In June 2019, Mr M acquired a new car through a credit sale agreement with Alphabet. The duration of the agreement was 42 months and Mr M said it was part funded by his employer through a car ownership scheme. The cash price of the car was £36,694.64 and the agreement was to be paid in 42 instalments of around £522, followed by a final instalment of around £14,200. The V5 document displayed the first keeper of the car as Mr M's name, followed by, "... c/o Alphabet GB".

Mr M made the final payment under the agreement and intended to sell the car to a third-party. So, when Mr M purchased the car, Alphabet updated the keeper details to Mr M's name, and removed the "... c/o Alphabet GB" from it.

Mr M said that when he purchased the car, it showed him as the second keeper of the car from January 2023, when he should have been listed as the first. Mr M said the third-party he intended to sell the car to would not purchase it from him. Mr M said it led to a delay in him being able to sell the car which resulted in a reduction in its value.

Mr M believed Alphabet made an error in how they recorded the registered keeper details and so he complained to them. Mr M said he later sold the car in March 2023.

In April 2023, during an email conversation with Mr M, Alphabet asked him for details of his road fund tax and insurance policy, as they looked to, "*arrange for these to be refunded to [Mr M].*".

In May 2023, Alphabet provided their final response. They said when registering employee scheme cars, the V5 document should show the first keeper as the driver's name, and the address as "C/O Alphabet GB". They said they instructed the supplying dealership correctly at the time. They then went on to say that unfortunately, when the car was registered prior to being delivered to Mr M, the supplying dealership added the first keeper as Mr M's name, followed by "... c/o Alphabet GB Ltd". This meant when Mr M later purchased the car from Alphabet, a new keeper had to be added to remove the "... c/o Alphabet GB" from the name, along with the necessary address change. All this meant Mr M was added as a second keeper from the date he purchased the car in January 2023.

Alphabet apologised for the clerical error and the inconvenience caused to Mr M. Alphabet also said they provided a letter to Mr M in January 2023 to confirm it was a clerical error at the point the car was registered. This letter was provided to help Mr M sell the car to the third-party.

However, in an attempt to sell the car for a second time to the third-party, along with the supporting letter from Alphabet, Mr M was involved in a collision with the car. The car could no longer be sold and had to be repaired.

Alphabet said as the contract with them had already ended and they were not involved in repairs, they were not in a position to reimburse Mr M for any loss of value or other costs. However, they acknowledged the clerical error and offered a £50 voucher to be sent to him for the inconvenience caused in obtaining the supporting letter from them. The final response did not comment on the road fund tax and insurance payments they said they would earlier refund.

Mr M, unhappy with Alphabet's response, referred his complaint to our service.

Our investigator upheld Mr M's complaint. She said, in summary that Alphabet's offer of a £50 voucher was not a fair and reasonable offer and she instructed them to pay £150 as compensation. She also said that Alphabet should refund any insurance premiums and road tax incurred between January 2023 and March 2023 to honour what they told Mr M they would do.

Mr M accepted the investigator's findings. However, Alphabet disagreed with it. They said in summary, that they had already given Mr M a voucher of £50, and they didn't think an additional award of £150 was fair. They also reviewed the email conversation where they had offered to refund road tax and insurance premiums and they said this was not offered on an admission of liability, but was rather an attempt to resolve the matter with Mr M during their complaint investigation. They do accept, however, they could have been clearer in their final response to Mr M. In summary, Alphabet suggested a fair way to resolve the complaint was a £50 voucher (which Mr M was already in receipt of) as well as an additional £150 for the distress and inconvenience caused. But they didn't think additional money to reimburse Mr M for road tax and insurance costs was fair.

Our investigator put the revised offer forward to Mr M, and he declined it and requested an ombudsman review. And so the complaint has been passed to me to decide.

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.

Having done so, I'm upholding this complaint and I'll explain why below.

It isn't in dispute that something went wrong here; namely the clerical error which resulted in Mr M being recorded as the second keeper of the car in January 2023 when he purchased it.

Alphabet initially gave Mr M a voucher of £50 to acknowledge the inconvenience caused of having to obtain a letter from them to show it was a clerical error. During our service's involvement, Alphabet later revised their offer to an additional £150 for the inconvenience caused.

So, ultimately, for me to resolve this complaint in a fair way, I need to consider whether Alphabet's offer to Mr M is fair and reasonable in the circumstances. And if I don't think it is, I need to consider what would be a fair way to put things right.

When considering what is fair, I'm mindful that there are significant variables to think about. Mr M has said due to Alphabet's error, he eventually sold the car for £500 less than he intended to. But I don't think Alphabet can be solely to blame for this. Firstly, we can't be certain what value the car would have sold for. The evidence provided is an estimation, and subject to change, depending on the condition of the car when inspected. And secondly,

Alphabet provided a clarification of the clerical error by letter shortly after they were made aware of the issue.

In addition, Mr M was also involved in a collision with the car, which resulted in delays in the car being sold to a third-party until it was repaired.

Considering all of this, I can't say with certainty that Mr M would have received an additional £500 for the value of the car if Alphabet hadn't made the mistake.

But, in any event, a mistake had been made and it is clear from Mr M's testimony that it did cause some acute distress and inconvenience. Given how quickly Alphabet had attempted to put things right once they were made aware of their error, by providing a written statement, I'm satisfied £150 is enough to put things right.

Mr M would also like additional costs refunded such as road tax and insurance, which he says he had to pay until the car was sold. However, I don't think it is fair for Alphabet to refund these here. I say this because, Mr M still had use of the car up until when it was sold. And it is a requirement for the car to be correctly taxed and insured during possession of it. Mr M also had the benefit of relying on his insurance due to a collision he had when he purchased the car. So I don't think Alphabet need to do anything in this respect.

My final decision

For the reasons I've explained, I uphold this complaint and I instruct Alphabet (GB) Ltd to pay Mr M £150 compensation to reflect the distress and inconvenience caused. This amount is in addition to the £50 voucher already paid to Mr M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 January 2024.

Ronesh Amin
Ombudsman