

The complaint

Mrs G complains that Motorpoint Limited (“Motorpoint”) won’t refund a transportation charge she paid to them.

What happened

Mrs G saw a car online and went to a Motorpoint showroom to enquire further about this. She was told the car wasn’t at this showroom, but Motorpoint could deliver it from another showroom provided Mrs G paid a transportation charge of £149. Mrs G paid this, but when she saw the car, she decided she didn’t want to go ahead with the order.

Mrs G asked Motorpoint to refund her the £149 but they said this was non-refundable and that Mrs G had known and agreed to this. Mrs G didn’t agree and referred the matter to our service.

Our investigator recommended that the complaint should be upheld. He said Mrs G was likely led to believe that the fee was refundable if she decided not to order the car.

Motorpoint didn’t agree and so the case has been passed to me for a decision.

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.

It seems to me that Motorpoint feel they made it clear to Mrs G that the transportation charge was non-refundable. Mrs G disagrees and says it was agreed this would be refunded if she didn’t go ahead with the order.

I suspect that the representations around the nature of the charge and whether it was refundable happened verbally. That makes it difficult for me to be certain whether one side’s version of events is more persuasive than the other’s side.

However, I don’t think the documentation Motorpoint has sent to us makes it clear that this fee was non-refundable as they claim. I say this having looked at their showroom terms and conditions and in particular the section concerning refunds. That sets out under clause 11.4 that: *‘if you cancel your Order prior to viewing the vehicle after it has been transported from another showroom to accommodate your Order, you will be charged a £149 charge for transporting the Vehicle (“Transportation Fee”)*’.

I understand though that Mrs G cancelled the order *after* she saw the vehicle rather than prior. So, I’m not convinced that Motorpoint has been able to show that they did make it clear that the fee was non-refundable, and that Mrs G agreed to this.

Overall, I’m more persuaded with Mrs G’s version of events, in that she was told she would be refunded this fee if she decided not to proceed with the order. I therefore uphold her

complaint.

I'd add here that under Section 57 of the Consumer Credit Act 1974, a debtor has a right to withdraw from a prospective regulated agreement, and that once notice has been given to that effect, any linked transaction should be refunded. Here, Motorpoint has said that a lender was sourced for Mrs G to finance the order for the car and that she was aware of this. So, it seems to me that Mrs G exercised her right to withdraw from the prospective agreement that Motorpoint had sourced for her, and that give rise to a refund of the transaction she paid.

Putting things right

Motorpoint should refund the £149 charge to Mrs G.

My final decision

I uphold this complaint and direct Motorpoint Limited to refund Mrs G £149.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 8 March 2024.

Daniel Picken
Ombudsman