

The complaint

Mr L complains that Arval UK Limited (“Arval”) has charged him for relief vehicles he booked while his vehicle wasn’t being used.

What happened

Mr L entered into a hire agreement with Arval in 2023 for a vehicle. He says the brake sensors stopped working, and the brake pads wore to a dangerous level.

Mr L booked a relief vehicle for 48 hours while his vehicle was off the road and subsequently asked Arval whether he could book a further relief vehicle after the 48 hours expired. Mr L says Arval told him they didn’t know whether he could do this. So, Mr L requested a new relief vehicle after each 48 hours had elapsed until his vehicle was returned to him.

Arval sent Mr L an invoice for £511.49 in October 2023 for rental hire charges incurred after he had used the first relief vehicle. Mr L complained to Arval, but they didn’t uphold his complaint. They said that Mr L was only entitled to a free relief vehicle for one 48-hour period and that each new booking after that was chargeable.

Mr L referred his complaint to us. One of our investigators looked into what happened but didn’t recommend that the complaint should be upheld. He said the hire agreement included a term that relief vehicles were only available for up to 48 hours and that Arval had made that clear to him.

Mr L didn’t agree. He said Arval didn’t make it clear to him that he would be charged beyond 48 hours or that he couldn’t make another booking for a relief vehicle. Mr L also said that Arval told him they didn’t know whether he could request a new relief vehicle at the end of every 48-hour period and should have done so if they intended to then charge him.

As the matter couldn’t be resolved, Mr L’s complaint was passed to me to decide.

I issued my provisional decision on 4 September 2024, an extract of which I include below and which forms part of my final decision.

‘Mr L used a regulated hire agreement with Arval. Our service can consider complaints relating to these sorts of agreements.

The hire agreement included the following terms which is relevant to this complaint:

MAINTENANCE

If You have opted to receive Our Maintenance Service then the following additional information applies:

....

OPTIONAL

- Breakdown assistance including home start recovery, roadside recovery and a replacement vehicle for up to 48 hours.

It's not disputed by anyone that Mr L's agreement included breakdown assistance. Nor is it disputed that Mr L requested and received a relief vehicle when his vehicle broke down. I understand also that Mr L says he returned the first relief vehicle he received within the 48-hour period.

On the face of it, the above term sets out that a relief vehicle would only be available for up to 48 hours. That arguably implies that no such vehicle would be available after then. Certainly, that is the point Arval makes in defending their right to charge Mr L.

However, Arval has sought to recover costs from Mr L for subsequent relief vehicles, and presumably does so under the hire agreement they have with him, when there is no indication at all within the agreement that such a charge would be payable, what that cost would be or likely would be, and how it would be levied. I think if Arval wanted to charge Mr L for further relief vehicle costs, either the term around this should make all the above clear or the hire agreement should make that clear elsewhere. Otherwise, Mr L would be liable for something of which he had no prior knowledge or control over, or indeed agreement to. He also wasn't afforded the opportunity to consider other more potentially cost-effective options while his car was off the road.

I've not seen sufficient evidence either that Arval clearly made Mr L aware when they spoke with him that he wasn't permitted to make further bookings at no cost and that he would be charged for this or that he was told what those charges would be, or likely would be.

I note also that Arval referred Mr L to a term that wasn't included in his hire agreement, or in any other contractual documentation between the parties as far as I can tell, as below:

Overall, I don't think Arval has done enough to show me that it would be fair and reasonable for Mr L to be held liable for the charge they've levied. As such, I currently intend to direct them to waive this charge and any costs associated with this. I also intend to direct them to remove any adverse information they have recorded on Mr L's credit file in relation to this charge'.

Arval agreed with my provisional decision. Mr L didn't reply.

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.

As I've not been given anything further to consider in respect of the merits of this complaint, I see no reason to depart from my provisional decision. So, for the reasons I gave in my provisional decision (as set out above), I am upholding this complaint.

Putting things right

Arval must refund the £511.49 charge to Mr L if he has already paid this, or waive it if he hasn't, and refund/waive any costs associated with this. They must also remove any adverse information they have recorded on Mr L's credit file in relation to this charge.

My final decision

I uphold this complaint and direct Arval UK Limited to take the action I've set out in the

'putting things right' section of my decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 23 October 2024.

Daniel Picken
Ombudsman