

The complaint

Mr M's complaint is about the car he acquired through a conditional sale agreement with PSA Finance UK Limited. He says a fault occurred within the first two weeks that is ongoing. He wants the fault repaired and to be refunded the cost of a failed repair.

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- Mr M entered into a conditional sale agreement with PSA Finance to acquire a used car. Mr M says he took delivery of the car on 14 August 2018 and he has provided a copy of the vehicle registration document confirming this.
- Under the regulations, specifically the Consumer Rights Act 2015 (CRA 2015), PSA Finance can be held liable if the car wasn't of satisfactory quality at the point of supply. Satisfactory quality takes into account factors such as the age and mileage of the car and what a reasonable person would expect taking into account all the circumstances. In this case the car was around three years at the point of acquisition.
- Mr M says he experienced problems with the multi-media system within the first two weeks and contacted the dealership about the issue. In PSA Finance's final response letter, it said that Mr M didn't raise the issue until around 11 months after acquisition. Mr M has provided copies of his telephone records from August 2018 and these show he made three calls to the dealership (22, 24 and 31 August). He has explained that the first two calls were regarding the fault and that the car was booked in for this to be investigated. Then the multi-media system started to work again and so the appointment was cancelled and he was told to monitor the situation.
- The dealership has said that calls are no longer available but that the calls could have been for a number of reasons and that had a fault been present then it would have expected Mr M to have returned the car for inspection. While I note the comments by the dealer, I find that the call evidence provided by Mr M supports his testimony. I also note in the service history there was an event cancelled for 8 September 2018. Because of this, I find it more likely than not that Mr M did contact the dealer shortly after acquisition about an issue with the multi-media system but as the issue then went away the booking for the car was cancelled.
- When a fault is identified within the first 30 days, the consumer can have a short term right to reject the car. In this case, Mr M didn't request this and as the initial occurrence of the issue seemed to resolve itself, I do not find it unreasonable that a rejection didn't take place.

- Mr M said that the issue with the multi-media system re-occurred and that it was happening on a sporadic basis. He returned the car to the dealer and the car was inspected and a software issue was diagnosed. Mr M said the repair wasn't covered by his warranty and so he paid £399. Unfortunately, this didn't resolve the issue. He says he was then told a replacement unit would be needed.
- As I have, on balance, accepted Mr M's testimony regarding when the issue first arose, I find that this issue was more likely than not present or developing when the car was supplied. Because of this I find it reasonable that PSA Finance is liable for the cost of the issue being resolved.
- Mr M paid for a repair attempt in July 2019. This wasn't successful and I find it reasonable that this amount is refunded along with interest.
- Mr M has suffered a loss of enjoyment as he acquired a car with a multi-media system, and this didn't work as it should have done. It worked intermittently for the first few months and then following a repair attempt it stopped working. Therefore, I agree with our investigator that Mr M should be refunded part of his payments to reflect this loss of enjoyment and I agree that 15% is reasonable.

Putting things right

In order to resolve Mr M's complaint, PSA Finance UK Limited should:

- ensure the car's multi-media system is repaired to a reasonable standard;
- refund Mr M 15% of his payments made since August 2018 to reflect the loss of enjoyment; and
- refund Mr M £399 paid to try to repair the fault. This amount is subject to 8% simple rate of interest from the date of payment to the date of settlement.

My final decision

My final decision is that this complaint should be upheld. PSA Finance UK Limited should take the actions set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 October 2020.

Jane Archer
Ombudsman