

The complaint

Mr M is unhappy that a car supplied to him under a hire purchase agreement with RCI Financial Services Limited (RCI) was of an unsatisfactory quality.

What happened

On 1 July 2019, Mr M was supplied with a used car through a hire purchase agreement with RCI. He paid a deposit of £6,860 and the agreement was for £5,537 over 24 months; with 23 monthly repayments of £248 and a final payment of £249. At the time the car was just over five months old and had done 7,450 miles.

Mr M said he had problems with the car's air conditioning system. He's also reported a number of other faults since raising the complaint with our service. These faults have been investigated and parts have been replaced by main dealers. But Mr M remains unhappy that the fault with the air conditioning has not been repaired.

RCI didn't uphold his complaint. They said the dealer and the manufacturer had inspected the car and couldn't find the fault.

Mr M wasn't happy with RCI's response and referred his complaint to the Financial Ombudsman Service for investigation.

Our investigator felt the noise from the air conditioning system didn't mean the car was of unsatisfactory quality. They said that RCI had fulfilled its obligations and they didn't think RCI needed to do anything more.

Mr M disagreed and supplied further information from a garage he'd asked to inspect the air conditioning unit. Our investigator considered this information, but it didn't change their view, as the dealer said they couldn't find a fault.

Mr M didn't agree with the investigator and he's asked for an ombudsman to make a final 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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr M was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to look into complaints about it.

The Consumer Rights Act 2015 (CRA) says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, RCI are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances.

Mr M has complained of ongoing issues with the car, but this complaint is about the air conditioning system. Mr M says it emits a "grumbling" or "howling" noise he says this means it's faulty.

The issue I have to consider here is whether or not there was a fault, and if there was, did it make the car of an unsatisfactory quality.

The car has been inspected by a manufacturer main dealer on at least four occasions. On three of those four occasions they either didn't hear the noise, or it was intermittent. On one occasion, in January 2020, they confirmed a noise, and replaced the parts.

Mr M said this repair didn't work, and he took it back to the dealer in October 2020. They confirmed a "slight noise" when cold, but said it was intermittent and not long enough to identify cause.

Mr M had the car inspected by another garage in October 2021. I've seen the invoice and it shows they tested the fan and found no faults. And they confirmed this in a call with our investigator. They said they changed parts as a gesture of goodwill, but said they didn't hear the noise and were unable to identify a fault.

I've also listened to a video Mr M supplied. In his covering email, he says it's hard to hear the noise. The recording is seven minutes long – I've listened to it several times, and I can't hear an excessive noise from the air conditioning system.

A number of inspections have been carried out on Mr M's car, and only one has found an issue. The others, including the two most recent reports have failed to identify a problem. And none of the inspections have reported the grumbling or howling noise Mr M complains of. I'm persuaded by the findings of the experienced motor technicians that there isn't a fault that makes the car of an unsatisfactory quality.

I'd also add that if a slight noise had been identified by the technician, I wouldn't say this made the car of an unsatisfactory quality. I've assumed that the air condition system works, as nothing has been said about this. The fact that it makes a slight noise doesn't mean it requires repairing. And the dealer and RCI have carried out thorough investigations – and that's what I'd expect them to do.

I appreciate this will come as a disappointment to Mr M, he's been frustrated by this noise for most of the time he's had the car. But for the reasons I've explained I'm satisfied the car was of a satisfactory quality when supplied. So I won't be asking RCI to do anything more

My final decision

For the reasons explained, I don't uphold Mr M's complaint about RCI Financial Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 July 2022.

Gordon Ramsay
Ombudsman