

The complaint

Mr H complains that a new bike he acquired through a Conditional Sale Agreement with Santander Consumer (UK) plc (Santander) wasn't fit for purpose. He would like to reject it.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here, instead I will focus on giving the 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 have reached the following conclusions:-

- Mr H took out an agreement for a brand-new bike in June 2022. As such I think he could have reasonably expected it to be fault free. There is no dispute that Mr H raised some issues within the first six months of having the bike. These comprised issues with the paintwork, fuel cap, a leaking radiator, the acceleration not fully working, juddering, and cutting out. When issues arise within six months we usually say it's down to the business to identify if issues were present at the point of sale. If so, we usually say it's reasonable to allow one repair attempt.
- I have seen an email from the dealership confirming that the fuel cap was faulty. So whilst Santander has made a compelling case of user error with the fuel cap which it replaced several times at no cost to Mr H, explaining that that the cap worked faultlessly every time it demonstrated it to him, it seems the initial one was faulty. The dealership information – on an email dated July 2022 - also confirms there have been multiple issues with the bike..
- The dealership found no evidence of a leaking radiator, but moisture was present on the overflow pipe. This was deemed normal as it was during a heatwave. I find that logical. The dealership denied damaging the petrol tank – damage was deemed to be stone chips, but as a gesture of goodwill it replaced the tank. I am not persuaded that these were point of sale issues for which Santander is responsible. And in any event the petrol tank was replaced.
- However, the dealership did find evidence of juddering under acceleration. It carried out appropriate repairs and test drove the bike twice finding no further issues. So, it's clear to me there was an issue with juddering within the first six months which resulted in a repair. Mr H says this is intermittent but ongoing issue. I understand the dealership had the bike back in but was unable to replicate the fault. However, as the issue was intermittent that's not surprising. Santander has told us that Mr H has used the car for a significant number of miles in which case I think it's more likely he would have experienced the problem than the individual who carried out two short test drives.

- I am also mindful that Mr H gave us a serious quality defect recall notice dated November 2022 about the main wiring harness. I don't know if that relates to the juddering issue but taking all of the information into account it's clear to me there were at least three issues present when Mr H got the bike – a faulty fuel cap, juddering plus a serious quality defect. The fuel cap once repaired may have been an ongoing issue due to user error, the recall notice can be addressed but I am persuaded the juddering is an issue that was present at the point of sale and not resolved by repair. On this basis I think it's fair to allow Mr H to reject the bike.
- In terms of redress I agree with our investigators recommendations as detailed below

My final decision

My final decision is that I uphold this complaint.

In full and final settlement Santander UK plc should :-

- End Mr H's agreement with nothing further to pay
- Collect the bike at no cost to Mr H
- Refund Mr H's deposit and part exchange payment
- Refund 5% of the payments Mr H made from 23 June 2022 to the date of settlement to cover any loss of or impaired use of the bike because of the quality issues
- Pay Mr H 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement.
- Pay Mr H £150 for any distress or inconvenience that's been caused due to the faulty bike.
- Remove any adverse information from Mr H's credit file in relation to this agreement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 17 April 2023.

Bridget Makins
Ombudsman