

## **The complaint**

Mr Z complains that a car acquired with finance from Santander Consumer (UK) Plc wasn't of satisfactory quality.

## **What happened**

In September 2022 Mr Z was supplied with a car and entered into a conditional sale agreement with Santander.

Mr Z experienced an issue with the engine management light ultimately around 10 days after he got the car. He contacted the supplying dealer who advised him to change the battery and said it would cover the cost.

Mr Z changed the battery, but the light remained illuminated. He took the car back to the supplying dealer.

The supplying dealer said it wouldn't cover the cost of repairs because Mr Z had changed the battery himself. It said that this was the cause of the fault with the ECU.

Mr Z disagreed. He said the car had a fault when he got it.

Mr Z complained to Santander. In its final response, Santander said that because Mr Z had changed the battery himself and caused further damage, it couldn't find evidence that the fault was present at the point of supply.

Mr Z remained unhappy and complained to this service.

Our investigator upheld the complaint. They said that based on the available evidence, there was a fault with the car prior to the battery being changed and that the car wasn't of satisfactory quality.

Santander didn't agree. It said that the supplying dealer had provided evidence to show that the fault with the car had been caused by Mr Z replacing the battery himself instead of getting it replaced by an approved repairer.

## **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.

The Consumer Rights Act 2015 is relevant to this complaint. It says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account factors such as the age and mileage of the car and the price paid. The legislation says that the quality of the goods includes their general state and condition, and other things including fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

The car supplied to Mr Z was around 6 years old and had covered around 100,000 miles. I'd

expect a second hand car to have a degree of wear and tear and to require more repairs and maintenance than, say, a brand new car.

I've reviewed all of the available evidence about the issues with the car. Based on what I've seen, I think it's likely that there is a fault with the car. I say this because Mr Z has said that within 10 days of getting the car, he experienced a warning light on the dashboard. I've seen an invoice for a battery dated 1 October 2022. Mr Z has said that he was advised to change the battery when he first reported the issues with the warning light to the supplying dealer. This hasn't been disputed by the dealership or Santander. I think it's very unlikely that Mr Z would've changed the battery for no reason.

I've also considered the invoice dated 30 November 2022. This states that the car has had a previous wiring repair and diagnosed a fault code for low pressure EGR valve circuit and engine signal.

Based on what I've seen, I'm persuaded that the car had a fault at the point of supply. I appreciate that Santander believes that the fault was caused by Mr Z fitting the new battery himself. I've thought about this, but I'm not persuaded that the evidence supports this. Even if Mr Z did fit the battery himself, I'm persuaded that he only did so on the advice of the supplying dealer in response to the fault that Mr Z had reported. Further, I've seen a job card relating to the car dated 22 March 2022 (prior to when Mr Z got the car). This shows that checks were carried out on the car because of warning lights and a code relating to low pressure EGR valve was found. This is the same fault code that was diagnosed by the garage after Mr Z had replaced the battery. This suggests that the car had a fault relating to the EGR valve before it was supplied to Mr Z, and before the battery was replaced.

Taking everything into account. I don't think the car was of satisfactory quality when it was supplied. Santander should take steps to put things right.

### **Putting things right**

Under the relevant legislation, the business is allowed one opportunity to repair the fault. In this case, Mr Z reported the fault to the supplying dealer, and it advised him to change the battery. It has also had the car back for repairs since then. In the circumstances, I don't think the business should be given any further opportunities to repair the fault. Mr Z should be allowed to reject the car.

Mr Z has said that he was advised to change the battery by the dealership and that they would cover the costs. This isn't disputed by Santander. I've seen an invoice for a new battery for £133.69. As far as I'm aware, Mr Z hasn't yet been refunded these costs. I think it's fair to ask Santander to refund this.

Mr Z hasn't been able to use the car since 2 October 2022 because it was returned to the garage for repairs and the fault has never been fixed. He was provided with a courtesy car from 2 October 2022 until 15 December 2022 but hasn't had use of a car since then. I don't think it's fair that Mr Z should make payments for a car which he isn't able to use because it was of unsatisfactory quality, so any monthly payments paid by Mr Z since 15 December 2022 should be refunded.

It's clear that Mr Z has been caused distress and inconvenience as a result of the issues with the car. He's told this service that he had to buy a new car so he could get to work. In the circumstances I think it's fair to ask Santander to pay compensation to Mr Z for the trouble and upset he's been caused as a result of being supplied with a car which wasn't of satisfactory quality.

### **My final decision**

My final decision is that I uphold the complaint. Santander Consumer (UK) Plc must:

End the agreement with nothing further to pay

Arrange for the car to be collected at no cost to Mr Z

Refund all monthly payments made by Mr Z since 15 December 2022

Refund the cost of the new battery

Pay 8% simple interest per year on all amounts refunded from the date of payment to the date of settlement

Pay £200 compensation to Mr Z for distress and inconvenience

Remove any adverse information from Mr Z's credit file in relation to the agreement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 10 October 2023.

Emma Davy  
**Ombudsman**