

The complaint

Miss R complains that Stellantis Financial Services UK Limited, trading as Stellantis Financial Services (“Stellantis”) wouldn’t let her withdraw from a finance agreement and return a car she was financing through it.

What happened

Miss R took receipt of a car in March 2024. She financed the deal through a conditional sale agreement with Stellantis. She bought the car unseen and online.

Within a few days Miss R changed her mind. She asked Stellantis to allow her to withdraw from the deal and return the car, she said that was her right under The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (“CCR”) as it was a distance sale. Stellantis didn’t agree. They explained that the relevant regulations were the Consumer Credit Act 1974 which allows customers to exit a credit agreement within 14 days of signing it, but that the car could not be returned, and Miss R would still need to pay for that.

Miss R referred her complaint to this Service. She enlarged on her complaint and explained that she couldn’t afford it and that Stellantis hadn’t completed any expenditure analysis. She also said she felt pressured to sign the agreement and that the terms and conditions disappeared on her phone after she signed them and that she hadn’t received a copy of them since.

Our investigator agreed with Stellantis but Miss R didn’t and she asked for a decision by an ombudsman.

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.

I know it will disappoint Miss R, but I agree with the investigator’s opinion. I’ll explain why.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point, it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

Miss R acquired her car under a conditional sale agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

Section 6 of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (CCR's) explains:

*“(1) These Regulations do not apply to a contract, to the extent that it is—
(b) for services of a banking, **credit** (my emphasis), insurance, personal pension, investment or payment nature;”*

And, as this conditional sale agreement was a credit agreement the CCR's don't apply to it. Instead, conditional sale agreements are primarily governed by the Consumer Credit Act (1974). Those Regulations allow consumers to withdraw from the credit agreement within 14 days. In those circumstances the money paid to finance the car must be repaid but they don't give the consumer the right to return the car.

So, I don't think Stellantis were wrong to reject Miss R's complaint.

Since Miss R has raised her complaint to this Service, she has suggested she couldn't afford the finance and that she was pressured into the sale. Our Service can't usually consider complaints about issues the business hasn't had an opportunity to consider. I don't think Stellantis have had an opportunity to consider those issues. I've reviewed their system logs and can't see mention of those concerns, and they didn't refer to them in their final response of 22 May 2024. Miss R will, therefore, need to refer a complaint about those issues to Stellantis and allow them an opportunity to provide their view, after which she will be entitled to refer her complaint to this Service if she remains dissatisfied. I've asked our investigator to assist Miss R in making that claim should she wish to do so.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 6 September 2024.

Phillip McMahon
Ombudsman