

## The complaint

Mr M complains about a new car he acquired through a hire purchase agreement with RCI Financial Services Limited ('RCI'). Mr M says that the car has developed a fault with the battery, and he thinks that this should be repaired under the car's warranty. RCI hasn't agreed with this.

## What happened

Mr M's complaint is about the quality of a car he acquired using a hire purchase agreement in 2016. The car was new, and it had a retail price of £17,958.44. The total amount was financed. The agreement was repaid through 37 monthly instalments, the first 36 instalments were for £300 followed by a final instalment of £9,630.

Below is a summary of the issues complained about by Mr M and the investigation and repair work that has been carried out by the dealership, alongside what has happened in respect of the complaint.

Mr M said the car developed a fault in December 2022 when he was unable to charge it. The vehicle was recovered to the supplying dealership. The dealership has said that the car has a fault with the power delivery module (PDM) rather than the battery. The dealership has provided a job sheet dated 20 December 2022 that says that '*the results show a fault within the P.D.M.*'. And this would need to be repaired by a specialist garage. I understand Mr M had driven the car around 84,000 miles at this point.

As far as I can see, the car has remained with the dealership and no repairs have been completed.

Mr M has complained to RCI saying that he thinks that he was told the car had a battery issue and that this should be covered under the warranty.

RCI has considered this complaint, and it didn't uphold it. It said that the battery wouldn't take a charge and it understood this was an issue with the PDM. It said that the warranty for the part of the car that had failed had expired in September 2021. It didn't think it should repair the car.

Mr M didn't agree with this and brought his complaint to the Financial Ombudsman Service.

Our Investigator contacted the car manufacturer who provided some information about the warranty the car had. It explained that the car had a manufacturer's warranty which was for five years or 60,000 miles, this had expired in September 2021.

The car also had an 'EV warranty' in respect of the quality of the battery. This ensured that the battery would have a certain capacity, or health, for eight years or 100,000 miles, whichever was the soonest.

We've also received some information from the dealership which has said that, due to the lack of servicing of the car, Mr M hadn't met the conditions for a repair under any warranty at all.

Our Investigator didn't uphold Mr M's complaint. He noted that an Ombudsman had already decided that the car was of satisfactory quality. And he was persuaded that the issues the car now had were not with the battery and so they shouldn't be repaired under the 'EV' warranty. He didn't think that RCI should repair the car.

Mr M hasn't agreed with the Investigator. He has said that he was told by a dealership, and the manufacturer, that the car had a battery issue and so it should be repaired under the warranty.

Because Mr M didn't agree, this matter has been passed to me 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider was good industry practice at the relevant time.

As I've said above, the Financial Ombudsman Service has considered a complaint Mr M has made about the quality of the car. The ombudsman found that the car supplied was of satisfactory quality. I can't revisit this decision and have considered this complaint bearing in mind that it's been established that the car was of a satisfactory quality.

Much of Mr M's complaint correspondence concerns what he thinks is misleading information and poor customer service provided by the dealership. This complaint is about RCI who was the finance provider, and it isn't responsible for the actions, or inactions, of the dealership. Mr M has been provided with information about how to make a complaint about the dealership.

What I am deciding here is whether the problem with the car should be covered under the warranties the car had. Details of these warranties have been provided to me. The car had two warranties, the first was a manufacturer's warranty that I understand expired in 2021. So, the car shouldn't be repaired under this warranty.

The car also had a separate 'EV' warranty. This related to the battery only and was for eight years or 100,000 miles. This was to make sure the battery remained in good 'health' and had a reasonable capacity over this time or distance. The crux of Mr M's complaint is that he thinks the problem with the car is related to the battery, and so it should be repaired under warranty. I've considered if this is the case.

As I've said above, the dealership has looked at the car and ran some diagnostics. The engineers report says that the problem is with the PDM rather than the battery. It recommended that the car was looked at by a specialist garage to fully determine how the problem should be fixed. I understand that Mr M didn't want to do this and so no further work, or investigation, has been completed.

I have looked at all the information provided, but I think this evidence is the most important in respect of determining what the fault with the car is. And this says that it isn't a battery problem. And so, I don't think the car should be repaired under the 'EV' warranty.

Added to this it's worth noting that the dealership, and RCI, have consistently said that for any warranty to apply to Mr M's car, he needed to have the car serviced at specified intervals. The dealership has said this didn't happen, and Mr M has confirmed this in some correspondence saying that he thinks the MOT tests were enough to look after the car. So, I also think RCI shouldn't need to repair the car under the 'EV' warranty for this reason.

A large part of Mr M's complaint concerns what he says was misleading information being provided to him by all the parties involved in the complaint. And I can see that the fault with the car has been referred to as a 'battery problem' by both the dealership and the manufacturer at times. But I don't think this alters or 'overrides' the evidence I detailed above about what the actual fault with the car is.

Having considered everything, I don't think RCI need to repair the car or provide any compensation to Mr M. I'm not upholding his complaint.

### **My final decision**

For the reasons set out above, I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 April 2025.

Andy Burlinson  
**Ombudsman**