

The complaint

Mr H complains that the car he acquired financed through a Conditional Sale Agreement with Stellantis Financial Services UK Limited, trading as Vauxhall Finance, wasn't of satisfactory quality.

Mr H is represented in this complaint. For the sake of simplicity I shall refer to all submissions from his representative as being from Mr H himself.

What happened

Mr H acquired a used car financed through a Conditional Sale Agreement with Vauxhall Finance on 16 Sept 2022.

Five months later he experienced problems with the vehicle. He said the car displayed an emission and engine light with the vehicle shutting down. He said he's taken the vehicle to different garages for repairs, but the issue still exists. Mr H said he told Vauxhall Finance that he'd been advised there maybe a fault with the NOx Sensor. He said the cost of repairing this was covered but a few days later the car displayed further faults and warning lights. A historic fault was found relating to the AdBlue system. The cost of repair would be approximately £3,700. Mr H asked for help from Vauxhall Finance with the cost of repairs.

In its final response Vauxhall Finance did not uphold Mr H's complaint. It said it has no control or jurisdiction over the manufacturing of the vehicle, warranty products or their contents. It said this was the responsibility of the manufacturer. Mr H brought his complaint to this service.

Our investigator concluded the car wasn't of satisfactory quality when supplied. Vauxhall Finance didn't respond to the investigator's view, so the complaint has come to me for a 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 agree with the conclusions reached by the investigator for the reasons I've outlined below.

- Vauxhall Finance as the supplier of the car was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr H. Whether it was of satisfactory quality at that time will depend on several factors including the age and mileage of the car and the price that was paid for it;
- The car that was supplied to Mr H was five years old, and had covered approximately 73,500 miles;
- Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time. But exactly how long that time is will also depend on several factors;

- I'm satisfied there is currently something wrong with the car. Besides Mr H's testimony that he's had issues, which I find persuasive, he has provided evidence in the form of an invoice and a quote from a manufacturer's garage. The invoice is for previous work completed. The quote is a diagnosis of the current issues with the car and the cost of repair, which is substantial. The car is currently off the road.
- The assessment from the garage states:
 - *"Investigated emissions warning light on dash. Carried out DTC check, x1 code stored, P20EE NOx catalyst efficiency below threshold. This code was not stored on last visit. Requires diagnostic checks to P20EE. Carried out AdBlue system tests and diagnosis to P20EE including visual inspection.*
 - *Diagnosis checks list A29 reductant tank module to be fault, pump pressure only gets to 400PA, diagnosis checks state pressure should be between 500-600KPA and if not to replace reductant tank.*
 - *As pressure is not reaching correct KPA, the AdBlue injector is not fully closing which is causing AdBlue through the exhaust system, and white residue is evident on tail pipe of exhaust. This has caused O2 sensor, DPF/reductant cat and injector to also fail."*
 - The repair quote is for £3,791.23
- In an email from the garage the Service Advisor has written:
 - *"Previous work we carried out I have attached for you, along with the findings from this visit and the repairs required. As far as our diagnosis go, we would be treating this as a manufacturing defect."*
- In its final response Vauxhall Finance said, *"your complaint is not upheld by us on the basis that we have no control or jurisdiction over the manufacturing of the vehicle as this is the responsibility of the manufacturer."*
I'm persuaded then that it accepts the fault with the vehicle is a manufacturer's defect. In addition it hasn't provided any evidence to dispute this.
- I disagree with Vauxhall Finance when it says it isn't responsible for the vehicle as it's a manufacturer's defect. As I mentioned above as the supplier of the car it was responsible for ensuring it was of satisfactory quality. In this case the fault may have occurred sometime after the car was manufactured but I'm satisfied that the Service Advisor's remark that this is a manufacturing defect implies the cause of the problem was present at the point of sale.
- I consider the fault to be present at the point of purchase and not a fault of wear and tear. As such I'm persuaded the car wasn't of satisfactory quality at the point of purchase.

Putting things right

Although the relevant law says Mr H can reject the car he has asked that the car is repaired instead of rejecting it.

I'm satisfied it's fair and reasonable for Vauxhall Finance to pay for the vehicle repair. Mr H has explained that this has caused him some distress and inconvenience, so I believe a compensation payment of £200 is fair and reasonable.

To put things right Stellantis Financial Services UK Limited, trading as Vauxhall Finance, must

- Arrange for the car to be collected and repaired at no cost to Mr H, within a reasonable period of time – within two months from the date of this decision is reasonable.
- Refund Mr H's deposit/part exchange contribution of £1,443.
- Refund all payments made by Mr H from 4 July 2024 to the date the car is repaired and returned to Mr H.
- Pay 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement.
- Pay Mr H £200 for any distress or inconvenience that's been caused due to the faulty goods.
- Remove any adverse information from the customer's credit file in relation to the agreement.

My final decision

My final decision is I uphold this complaint and Stellantis Financial Services UK Limited, trading as Vauxhall Finance must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 November 2024.

Maxine Sutton
Ombudsman