

## **The complaint**

Miss F complains that a car that was supplied to her under a finance agreement with a finance company that is now known as Stellantis Financial Services UK Limited wasn't of satisfactory quality.

## **What happened**

A used car was supplied to Miss F under a finance agreement that commenced in January 2023. Stellantis Financial Services hasn't responded to this service's request for information about Miss F's complaint and hasn't provided a copy of the finance agreement. I can see from the information that Miss F has provided that the price of the car was £17,201, Miss F also purchased a warranty for £299 and she agreed to make 43 monthly payments of £371.39 and a final payment of £7,200 to the finance company.

Miss F had issues with the car in June 2024 so she returned it to the dealer and its engine was replaced under the warranty. The car was then returned to Miss F in October 2024. Miss F was provided with a replacement car for the periods from 14 June to 8 August and from 24 August, but not from 10 to 13 June nor from 9 to 23 August (a total of 19 days).

Miss F complained to Stellantis Financial Services about the issues with the car. It responded to her complaint in September 2024 and said that the dealer had advised it that the repairs needed would be covered under warranty and that it had kept her mobile in a loan car. Miss F wasn't satisfied with its response so complained to this service.

Her complaint was looked at by one of this service's investigators who, having considered everything, didn't think that Stellantis Financial Services had acted fairly. She thought that there was a fault with the car which caused it not to have been of satisfactory quality when it was supplied, but repair work had been completed under warranty and had fixed the issue. She said that if a consumer is without use of a vehicle, then this service's approach is that the business would be expected to reimburse the equivalent of the number of days payments to reflect the time that they had no use of a vehicle. She recommended that Stellantis Financial Services should refund the number of days payments to cover loss of use, with interest.

Stellantis Financial Services hasn't responded to the investigator's recommendation so I've been asked to issue a decision on this complaint. Miss F says that the car wasn't ready for collection until 5 October 2024 and waiting over four months for the repairs was unacceptable. She also says that she's been paying for car insurance during that time.

## **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 finance company, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Miss F. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the

car and the price that was paid for it. The car that was supplied to Miss F was more than four years old, had been driven for about 52,000 miles and had a price of £17,201. 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 depend on a number of factors.

Miss F had issues with the car in June 2024, about seventeen months after it had been supplied to her, and the dealer said that its engine needed to be replaced. The car had been driven for about 19,000 miles since it was supplied to Miss F. I consider that it was reasonable for Miss F to expect that she'd be able to drive a car that cost her £17,201 for more than 19,000 miles and for it to last more than seventeen months before its engine needed to be replaced. I consider it to be more likely than not that the issues with the car's engine caused the car not to have been of satisfactory quality when it was supplied to Miss F. The engine was replaced under the warranty, Miss F says that she collected the car in October 2024 and I've seen no evidence to show that there have been issues with the car since then so I consider the repair to have been a fair and reasonable response to the issues with the car.

I understand that Miss F was provided with a replacement car for the periods from 14 June to 8 August and from 24 August, but not from 10 to 13 June nor from 9 to 23 August (a total of 19 days). The investigator recommended that Stellantis Financial Services should refund the number of days payments to cover loss of use, with interest. I consider that to be fair and reasonable in these circumstances.

Miss F has complained about the service that she's received and the delay in the car being repaired. The services about which she's complained were provided by the dealer, and not by Stellantis Financial Services, so I don't consider that it would be fair or reasonable for me to require Stellantis Financial Services to pay any compensation to Miss F for those service issues.

Miss F says that she's had the inconvenience of paying extra for car insurance to cover the car that she could have driven during the delay. Car insurance is a standard running cost of a car and Miss F has been provided with a replacement car (other than for the periods described above). I'm not persuaded that it would be fair or reasonable for me to require Stellantis Financial Services to reimburse Miss F for any of her insurance costs.

### **Putting things right**

I find that it would be fair and reasonable for Stellantis Financial Services to refund to Miss F an amount equivalent to 19 days of the monthly payments that she's made under the finance agreement to cover the periods that she wasn't provided with a replacement car and that it should also pay interest on those amounts. I'm not persuaded that it would be fair or reasonable in these circumstances for me to require Stellantis Financial Services to take any other action in response to Miss F's complaint.

### **My final decision**

My decision is that I uphold Miss F's complaint and I order Stellantis Financial Services UK Limited to:

1. Refund to Miss F an amount equivalent to 19 days of the monthly payments that she's made under the finance agreement to cover the periods that she wasn't provided with a replacement car.

2. Pay interest on the amount to be refunded at an annual rate of 8% simple from the dates that Miss F wasn't provided with a replacement car to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 24 February 2025.

Jarrold Hastings  
**Ombudsman**