

## **The complaint**

Ms O complains about the quality of a car she has been financing through an agreement with Santander Consumer (UK) Plc (Santander).

Ms O has been represented throughout this complaint. As the account is in her name, I will only refer to Ms O in this decision. I mean no disrespect to her representative when doing so.

## **What happened**

Ms O took receipt of a three-year-old car in November 2023. At the point of supply the car had already completed about 20,000 miles. Ms O financed the deal through a conditional sale agreement with Santander.

About six months later the battery failed on the car and had to be replaced. In or around July 2024 the Gasoline Particulate Filter (GPF) failed. The car hasn't worked since.

Ms O complained to Santander, but they said as the fault had occurred after Ms O had been in charge of the car for more than six months it was for her to provide evidence the fault was developing when she took receipt of it, and when they were responsible for its quality. They didn't think she'd been able to demonstrate that.

Our investigator thought the car had been of unsatisfactory quality as she thought a GPF should last longer than the four years and 24,000 miles this one had. She suggested Santander should repair the car, provide a refund of any instalments paid since the car broke down, refund any diagnostic cost Ms O could evidence she had paid and also pay her £250 to compensate her for the distress and inconvenience caused.

Santander didn't think that was reasonable and they 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 don't think this car was of satisfactory quality and I think Santander need to take some action to put things right for Ms O.

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.

Ms O acquired her car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn't then Santander, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. When we think about whether a car is of satisfactory quality the relevant legislation also says we should consider whether it has been durable.

In a case like this which involves a car the other relevant circumstances would include things like the age and mileage at the time the car was supplied to Ms O.

An old car with a high mileage will not be expected to be as good as a newer car with a low mileage, but it should still be fit for use on the road, in a condition that reflects its age and price.

The battery failed on this car when it was about four years old, and I think it's more likely than not that that issue was a result of normal wear and tear as that would be in line with the lifespan we would expect for a battery in normal use. I don't, therefore, think Santander were unreasonable to reject that aspect of Ms O's complaint.

I've thought about whether the fault with the GPF can fairly be considered to have been developing when the car was supplied to Ms O, or to not have been durable. I think that was the case. Unlike a Diesel Particulate Filter (DPF) that can get blocked if engine temperatures don't get hot enough to regenerate the filter, my research suggests that the GPF in a petrol car works at a higher temperature and that that enables it to regenerate passively. On my research it would seem that the life expectancy of a GPF is substantially higher than a DPF. Indeed, it would seem that GPF's typically last the life of a vehicle and this one has, therefore, not been durable.

The relevant legislation allows a business one opportunity to fix a fault in those circumstances, so Santander should now arrange that work or, if it's already been done, they should refund the cost of it, adding interest.

If Ms O can demonstrate that she paid for any diagnostic work to identify the fault, she should be reimbursed and, again, interest should be applied as Ms O will have been deprived of the money.

Ms O hasn't been able to use the car since 2 July 2024. Santander will need to refund any finance instalments she's paid from that date in respect of the loss of use she's had from the car.

Ms O has experienced distress and inconvenience as a result of these issues. She had to escalate her complaint to this service when I think it could have been resolved earlier and it will have been inconvenient to have not had access to the car she was funding. In the circumstances, I think Santander should pay her £250 in compensation.

### **My final decision**

For the reasons I've given above, I uphold this complaint and tell Santander Consumer (UK) Plc to:

- Pay to have the car repaired. If the car has already been repaired the cost should be refunded with 8% simple interest\* added from the date of payment to the date of settlement.
- Refund any related diagnostic fees if Ms O can provide proof of payment. Add 8% simple interest\* calculated from the date of payment to the date of settlement.
- Refund all rentals paid from 2 July 2024 until the car is repaired and returned to Ms O, in respect of loss of use. Add 8% simple interest\* calculated from the date of payment to the date of settlement.
- Pay Ms O £250 to compensate her for the distress or inconvenience caused.
- Remove any adverse reports they may have made to Ms O's credit file in relation to this issue.

\*If HM Revenue & Customs requires the business to take off tax from this interest, they must give the consumer a certificate showing how much tax it's taken off if the consumer asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 9 January 2025.

Phillip McMahon  
**Ombudsman**