

The complaint

Mr M complains about the quality of a new car that was supplied to him through a finance agreement with Mercedes-Benz Financial Services UK Limited ('MBFS').

What happened

In March 2022 Mr M acquired a new car through a personal contract plan (PCP) which is a type of hire purchase agreement with MBFS. He says within the first six months of acquiring the car he experienced issues with the battery and the car losing power. Sometime later in December 2023 a safety recall was made on his car.

Mr M complained to MBFS, but it didn't uphold the complaint. It issued its response in February in 2024, in short it said given the time that has lapsed since finance inception and the miles travelled, it didn't think the faults were present at the point of sale.

Mr M referred his complaint to our service. Our Investigator looked into things but didn't uphold the complaint. In summary she said there was no evidence of a fault with the car and therefore, in her view, the car was of satisfactory quality.

Unhappy with the outcome, Mr M asked for the complaint to be passed to 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.

Having done so, I've reached the same overall conclusions as the Investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it affected what I think is the right outcome.

The PCP agreement entered by Mr M is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. MBFS is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr M entered. Because MBFS supplied the car under a PCP agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr M's case the car was acquired new, so I think it's fair to say that a reasonable person would expect the level of quality to be higher than a used or more road worn car. And that it would

be free from defects for a considerable amount of time.

From the information provided I'm not persuaded that there is a fault with the car. This is because aside from Mr M's testimony I've seen no evidence that a fault exists; for example, in the form of an independent investigation report, or a diagnostic outlining the nature of the fault. What I've seen is a template of a recall notice, explaining that in relation to the make and model of Mr M's car, it may have been manufactured with an insufficient fuel pump impeller.

Mr M has confirmed he has no evidence in regard to the loss of power, he's said it doesn't happen very often and it's difficult to obtain evidence of it occurring. Whilst there has been some evidence about the battery status appearing, Mr M has confirmed this hasn't impacted his use of the car.

I do have evidence in the form of job cards which show that the issues about the recurring battery issue and the car losing power were investigated. Overall, since Mr M acquired the car, it has undergone the following repairs:

- A software update for the driver assistance package in March 2023.
- A replacement coil pack in May 2023.
- The safety recall resulting in a replacement fuel delivery module impeller in December 2023.

Mr M also took the car to a Mercedes-Benz garage which also confirmed no faults could be found and the job cards I've seen show no faults found with the battery or loss of power.

I acknowledge Mr M's concerns about the potential risk to his safety, however from the evidence provided, I'm not persuaded a fault exists with his car. Nor am I persuaded that the car wasn't of satisfactory quality when it was supplied to him.

My final decision

I don't uphold Mr M's complaint about Mercedes-Benz Financial Services UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 July 2025.

Rajvinder Pnaiser
Ombudsman