

The complaint

Mrs L complains about a car supplied to her using a hire agreement taken out with Hyundai Capital UK Limited trading as Hyundai Finance Contract Hire ("HFCH").

What happened

In May 2022, Mrs L signed a hire agreement with HFCH to acquire a brand-new car for delivery in June 2022. The agreement was for 48 months, made up of 47 regular, monthly repayments of £282. The advance payment recorded on the agreement was £282. The annual permitted mileage allowance under the agreement was 8,000 miles (32,000 miles in total).

Mrs L said on most occasions she used the car for relatively short journeys, such as to pick up and drop off her children to school and to commute to and from work. Mrs L said the car had a gasoline particulate filter ("GPF") and a light in relation to it kept illuminating on her car's dashboard.

In October 2022, when the car had been driven for approximately 2,000 miles, Mrs L took the car to a manufacturer dealership and they managed to get the light to disappear. Mrs L wasn't charged for this repair as it was covered by her warranty.

Mrs L said she was told that for the light to stop if it reappeared again, she would have to drive the car in a lower gear, for up to an hour at relatively high speeds. Mrs L said she had to do this on a regular basis and that she said she wasn't informed of this when she initially acquired the car.

Mrs L said that in May 2024, she could no longer get the light to disappear, so she took the car to be repaired again during her two-year service with the manufacturer dealership. Mrs L said she was told by the dealership that it was a known issue for the type of car she had acquired and that it wasn't suitable for people who only do short journeys.

Mrs L said she paid around £320 in May 2024 to have the issue with the car rectified. Mrs L also complained to HFCH and then later she referred her complaint to our service.

HFCH didn't uphold Mrs L's complaint. But as a gesture of goodwill, they offered to credit Mrs L £160 (half of what she paid to have the issue resolved). In summary, HFCH said that due to the mileage and types of journeys that Mrs L completed, it was not unusual for a manual regeneration (cleaning process) needing to be completed to the car. They said that the supplying dealership explained to Mrs L how the cleaning process could be carried out by her. So, they didn't uphold Mrs L's complaint as they thought it was functioning as expected in relation to the GPF.

Our investigator didn't uphold Mrs L's complaint. In summary, she explained she couldn't determine a fault with the car to make it of unsatisfactory quality.

Mrs L disagreed with the investigator's findings and didn't believe the car was fit for purpose. She also said she wasn't told during the sales process that the car wouldn't be suitable for short journeys only.

As Mrs L disagreed with the investigator's findings, the complaint was passed to me to decide.

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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mrs L complains about a car supplied to her under a hire agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mrs L's complaint about HFCH.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – HFCH here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note here that the car Mrs L acquired was brand-new and I think a reasonable person would expect it to be in excellent condition, with no faults or issues. And I think they would expect trouble free motoring for a significant period.

The CRA also explains that the goods need to be fit for a particular purpose, where the consumer makes known to the trader (or credit-broker to the trader) any particular purpose for which the consumer is contracting the goods.

What I need to consider is whether the car was of satisfactory quality when it was supplied. I also need to consider if I think it's likely Mrs L made it known to HFCH, or to the trader, any particular purpose she'd be using the car for – and if so whether the car was reasonably fit for purpose. And to consider those points, I first need to make a finding on whether the car developed a fault.

Had the car developed a fault?

Mrs L has said that the GPF light illuminated on her car's dashboard on several occasions since acquiring the car – and as early as October 2022, when she took the car back to the supplying dealership to be investigated. Mrs L said she wasn't charged for any works carried out at this point but was advised she would be if the car was returned for a similar reason.

I've also considered the car's manual where it gives some details about the GPF system installed in Mrs L's car. It says:

"Petrol Particulate Filter (GPF) system removes the soot in the exhaust gas.

...

In other words, the accumulated soot is automatically purged out by the engine control system and by the high exhaust-gas temperature at normal/ high driving speeds.

However, when the vehicle is continually driven at repeated short distances or driven at low speed for a long time, the accumulated soot may not be automatically removed because of low exhaust gas temperature. In this case, the accumulated soot may reach a certain amount regardless of the soot oxidization process, then the GPF lamp will illuminate."

I have inferred from the manual that the GPF system installed on Mrs L's car is designed to remove soot that accumulates from exhaust fumes when a car is driven. And that it is normal and expected for the GPF light to illuminate if the car is continually driven at repeated short, low speed, distances.

I'm mindful that Mrs L has explained how her car is regularly used – that being to drop her children to and from school, as well as commute to and from work. Mrs L has described these journeys as "...less than six miles away...". So, I think it is fair to say that these were fairly short, repeated journeys that were taken in the car. And so, I would expect the GPF light to illuminate, given what the car's manual says.

Mrs L says that after driving the car at high speeds for at least 30 minutes in third gear, the GPF light would not turn off on some occasions. Having seen the car's manual, I've noted that the manner in which Mrs L says she drove her car to turn off the GPF light is what is advised in the manual.

Mrs L later took the car back to the supplying dealership to complete a second-year service. Alongside the service, Mrs L had a diagnostic carried out to the car to investigate her concern that the GPF warning light was illuminated. The job sheet and invoice said in relation to the works carried out:

"... carried out gpf re gen..."

HFCH has also explained that after contacting the supplying dealership, they were informed that the GPF light illuminating is common especially for car's that have a low mileage. They also confirmed that they performed a "regen" at 2,000 miles, and again at 9,000 miles. My understanding is that a "regen" is performed on a car to clear/clean the soot build-up from the exhaust, and this is completed by completing the steps that Mrs L says she did i.e. drive the car at high speeds for at least 30 minutes in third gear.

Considering the above, while I appreciate Mrs L's comments that she performed what can be described as a "regen" to the car on occasions, I'm satisfied there isn't a fault with the car. No fault could be identified during the diagnostic carried out to the car and HFCH has explained that the GPF light illuminating is what is expected on a car that is driven short journeys. It follows that I'm satisfied the car was of satisfactory quality at the point of supply.

Mrs L says she wasn't told during the sales process that the car would not be suitable for short distances, at relatively low speeds for prolonged periods. To be clear, from my understanding I haven't seen anything to suggest that the car *can't* be driven at low speeds

or only for smaller journeys. But rather, by predominantly doing so, it may require a regen to be completed on occasions. I'm also mindful that I haven't seen any evidence to suggest Mrs L discussed her requirements with the trader or HFCH about her use of the car, nor has Mrs L disclosed in her submissions to our service that she did hold these conversations during the sales process. So, while I want to reassure Mrs L that I have considered her comments in relation to this, as I'm satisfied that the car was of satisfactory quality at the point of supply and no fault has been identified, I don't think HFCH needs to do anything further.

Having seen the final response letter issued to Mrs L, I can see that HFCH offered her £160 as a gesture of goodwill. It is unclear if Mrs L accepted this gesture and/or whether it has been paid to Mrs L. If Mrs L wishes to accept this gesture, then I suggest she contacts HFCH directly about it, if it is still available.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Hyundai Capital UK Limited trading as Hyundai Finance Contract Hire to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 7 July 2025.

Ronesh Amin
Ombudsman