

The complaint

Mr M complains that a car supplied to him under a conditional sale agreement with Stellantis Financial Services UK Limited (SFS) is of unsatisfactory quality.

What happened

The circumstances surrounding this complaint and my initial findings were set out in my provisional decision which said:

"In October 2022 Mr M entered into a conditional sale agreement with SFS to acquire a used car. The car was around one year and seven months old, with a mileage of around 4,637. The cash price of the car was £34,224.00 with an advance payment of £5,000.00 being paid. The total amount payable on the agreement was £44,177.60, payable over 60 months. This was made up of 60 monthly repayments of £652.96.

Mr M explained that he'd been told information about the vehicle's battery and range by the dealership that turned out not to be correct. Mr M also explained that the vehicle has had numerous issues, resulting in him being unable to use the vehicle from March 2024 onwards as repairs have not fixed the problem with the car.

Mr M complained to SFS about the issues he's mentioned. SFS didn't uphold his complaint. In its final response to his complaint, SFS said they weren't able to speak to the dealership about what was said at the point of sale regarding the range, the vehicle had two repairs carried out one in March 2024 and one in April 2024, but there was no evidence these issues were present or developing at the point of sale. As such, SFS did not uphold Mr M's complaint. Mr M then brought his complaint to this service, where it was passed to one of our investigators. The investigator didn't uphold Mr M's complaint. They explained that there was no misrepresentation of the vehicle and that the battery capacity has decreased, and that the issues are likely to be wear and tear as Mr M has been able to travel around 17,835 miles.

Mr M responded to disagree and provide some more information. This did not change the investigator's outcome, and so I've been asked to review the complaint to make a decision."

I sent Mr M and SFS my provisional decision on 1 September 2025. I explained why I thought the complaint should be upheld. The key parts of my provisional findings are copied below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

"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.

Mr M acquired a car under a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr M's complaint about SFS. SFS is also the supplier of the goods under this type of agreement meaning they

are responsible for a complaint about the supply of the car and its quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that “the quality of the goods is satisfactory, fit for purpose and as described”. To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances. The CRA also explains that the durability of goods is an aspect satisfactory quality.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle’s history.

In this case, Mr M acquired a car that was around one year and seven months old and had travelled around 4,637 miles. As this was a used car with this mileage and age, it’s reasonable to expect parts may already have suffered a little more wear and tear when compared to a brand-new car or one that is even less travelled. There’s a greater risk this car might need repair and/or maintenance sooner than a car which wasn’t as road-worn.

I’ve reviewed the available evidence about the issues Mr M experienced with the car. Based on what I’ve seen, I’m satisfied that there were faults with the car. I say this because neither SFS nor Mr M dispute that the car has had faults relating to a battery cable and harness and I’ve seen invoices for repair work carried out relating to this. Having considered the car had a fault, I’ve considered whether it was of satisfactory quality at the time of supply.

I can see Mr M was able to use the vehicle for around 17 months up to March 2024 and had managed to travel around 17,835 miles in this time with the mileage being listed as 22,472 on the invoice for the work carried out. This confirms traction control fault is showing on the dash, replace battery charge ECU with Negative C being listed. The diagnostic report shows that a faulty negative cable was found.

The next invoice on 29 April 2024 shows the mileage listed as 23,978, and an investigation into a traction battery fault. This invoice shows a harness listed.

Following this, Mr M said that when he got the car back in September 2024, three error messages came up on the dashboard including electric traction system fault, and he has supplied three images showing these along with the mileage recording of 24,019 miles.

These photographs are undated, but I have no reason to doubt they relate to Mr M’s vehicle. Particularly as he has explained that beyond this, he paid the repairer to replace a 12v battery that they suspected of causing the issue, however the electric traction system fault remains. Mr M added that the repairer he had taken the vehicle to has asked him to take it to a different repairer as they have been unable to fix the issue.

Whilst I acknowledge that the faults didn’t appear for around 17 months and around 17,835 miles, I’m persuaded that the vehicle was not of satisfactory quality when it was supplied, particularly in relation to its durability. I say this because Mr M agreed to pay a cash price of just under £35,000.00, a not insignificant amount for a vehicle that had travelled less than 5,000 miles, and was what I would deem not particularly old. A reasonable person may well expect the vehicle to last longer than it did before encountering the issues Mr M has had. He has been largely unable to use his vehicle since March 2024 due to the repeat faults.

The parts that have failed appear to have failed prematurely, and before a reasonable person may expect them to, and I’m unable to see that a fix has been able to be arranged for these.

It is for these reasons that I'm persuaded Mr M's vehicle was not of satisfactory quality when it was supplied.

In relation to Mr M's complaint around being mis-sold the agreement, I'm unable to see anything showing that Mr M was guaranteed a certain range, or battery capacity, or that the capacity wouldn't reduce or alter with varying conditions and factors. Having said this I acknowledge what Mr M has said, and can see he's supplied information showing he did try to return the vehicle to the dealership. I don't doubt what Mr M has said is true to the best of his knowledge, but I'm not persuaded there is enough to show that Mr M was misled into taking the vehicle and agreement based on the information we have about the sale."

I invited both parties to make any further comments. Neither Mr M or SFS responded. Now both sides have had an opportunity to comment, I can go ahead with my final decision.

What I've decided and why

As neither party responded to the provisional decision, I see no reason to depart from my findings above. I've copied below what I'd provisionally decided SFS need to do to put things right. As neither party responded with any information to be considered, this has also not changed.

Putting things right

As I've concluded that the car was not of satisfactory quality when it was supplied, I think it's reasonable that SFS should put things right.

In this case, I do think it's reasonable that Mr M should be allowed to reject the vehicle as laid out by the CRA. As I've explained above, this is because repairs have so far failed to resolve the issue with the vehicle. Ordinarily SFS would have a chance to repair the vehicle, however the vehicle has had the issues for a significant period of time, and these repairs will now not have been carried out in a reasonable timeframe.

So, SFS will need to end the agreement with nothing further to pay on the monthly payments past March 2024, alongside reimbursing Mr M's advance payment - although SFS is entitled to keep any part of this made up of dealer contributions if applicable. Any part of the advance payment that went to settle existing finance if applicable does not need to be refunded. It follows that payments made after March 2024 should be refunded to Mr M as he has been largely unable to use his vehicle and was not kept mobile by SFS as far as the information I have shows during this time. It is fair that Mr M has paid for his usage of the vehicle up to this time in line with his monthly payments SFS collected. SFS will need to collect the vehicle at no cost to Mr M.

Mr M has explained some potential bonus he may have missed out on through not being able to use this vehicle for work at one point, however this vehicle was not agreed as a work vehicle and as such it would not be fair for SFS to be responsible for this.

Mr M has also said that he had to pay for the 12v battery replacement. If Mr M can evidence these costs, SFS should also reimburse him for this repair, as if the car was of satisfactory quality it is unlikely he would have had to pay for this.

SFS should also remove any adverse information about the agreement from Mr M's credit file.

I've also thought about if any payment for distress and inconvenience is due in this case. Having considered everything I have, I'm persuaded it would be reasonable for SFS to pay

Mr M £350 for distress and inconvenience caused. Mr M has had to spend a long time trying to have his vehicle issues resolved, arranging for the recovery and collection of his vehicle, being unable to use it and the impact this has had on him. It is for these reasons it is fair for SFS to pay £350 to reflect the impact this had.

My final decision

For the reasons explained, I uphold Mr M's complaint and instruct Stellantis Financial Services UK Limited to do the following:

- End the agreement as outlined above, with nothing further to pay.
- Collect the vehicle at no cost to Mr M.
- Refund some monthly payments to Mr M as outlined above
- Refund Mr M's advance payment as outlined above.
- Reimburse some evidenced costs in relation to repairs carried out as outlined above.
- Pay 8% simple yearly interest* on the above, to be calculated from when Mr M made the payments to the date of the settlement.
- Pay Mr M £350 for the distress and inconvenience caused.
- Amend Mr M's credit file to ensure no negative information is recorded about the agreement as outlined above.

*HM Revenue & Customs requires Stellantis Financial Services UK Limited to deduct tax from the interest amount. Stellantis Financial Services UK Limited should give Mr M a certificate showing how much tax it has deducted If he asks for one. Mr M can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 21 October 2025.

Jack Evans
Ombudsman