

The complaint

Mr J complains that a car supplied under a hire agreement with Stellantis Financial Services UK Limited wasn't of satisfactory quality.

What happened

In April 2024 Mr J entered into a consumer hire agreement with Stellantis for a brand-new car. The term of the hire agreement was 12 months. The car was initially advised as being in stock, but this turned out not to be the case and the car wasn't supplied until 1 May 2024.

Soon after getting the car, Mr J experienced issues with the wingmirrors folding in and the windows jamming and then ultimately locking in the lowered position. A breakdown recovery company attended and found several faults with the car. They advised Mr J that the car wasn't safe to drive.

Mr J contacted Stellantis, the supplying dealer and the manufacturer and requested to reject the car. Mr J also raised a complaint with Stellantis and they told him they would investigate the complaint but they haven't provided a response within the required timescale.

Mr J brought his complaint to this service. He says he's still paying for the car (including insurance) but he's unable to drive it and wants to hand it back.

Our investigator upheld the complaint. He said the car wasn't of satisfactory quality when it was supplied, and Mr J had asserted his short term right to reject within the first 30 days. The investigator said that Mr J should be allowed to reject the car.

Stellantis didn't respond to the investigators view so I've been asked to make a final decision.

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 Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account factors such as the age and mileage of the car and the price paid. Satisfactory quality includes fitness for purpose, freedom from minor defects, safety and durability.

Under the Consumer Rights Act, where a fault occurs in the first 6 months, there's a presumption that the fault was present or developing at the point of supply and it's up to the business to put things right. If the fault presents in the first 30 days, the consumer can exercise a short term right to reject. After 30 days the business has the right to repair the fault. If the repair isn't successful, the consumer can reject the car.

I've reviewed the evidence from both parties, and I'm satisfied that there's a fault with the car. The roadside recovery report confirms that there's a fault and the email correspondence

between Mr J and Stellantis indicates that there's no dispute that the car has a fault.

I've thought about whether the car was of satisfactory quality when it was supplied. The evidence shows that the fault presented itself within a very short time of Mr J getting the car. I've had regard to the fact that this was a brand-new car, so it's reasonable to expect that the car would be of a very high standard and free from defects. The fault occurred within the first 6 months so the presumption under the relevant legislation – that the fault was present at the point of supply - applies.

Having reviewed the email correspondence, I can see that Mr J requested to reject the car within the first 30 days. It isn't clear whether Stellantis has accepted the rejection. For the avoidance of doubt, I'm satisfied that Mr J was entitled to reject the car under the relevant legislation.

Mr J has told this service that the recovery agent advised him that the car had several faults and wasn't safe to drive. So he hasn't used the car since 11 May 2024. At the point when the car broke down Mr J had only had 10 days use of it, and that use was impaired because of the electrical faults.

I think it was reasonable for Mr J to stop using the car. He's continued to make the payments under the hire agreement. Because Mr J hasn't been able to use the car since 11 May 2024, I think Stellantis should refund all of the payments that Mr J has made under the agreement.

It's clear that Mr J has been caused considerable distress and inconvenience as a result of being supplied with a car which wasn't of satisfactory quality. He's been without the use of a car he's still obliged to pay for which has prevented him from getting another car. He's also had to rely on friends for lifts. In the circumstances I think Stellantis should pay compensation of £150 for the inconvenience caused to Mr J.

Mr J has told this service that he's continued to insure the car. I've thought about whether this should be refunded. However, on balance, and even though Mr J hasn't been able to drive the car for several months, I won't be asking Stellantis to refund Mr J's insurance premiums. Insurance is an obligation which runs alongside car ownership/possession, and Mr J hasn't had to insure an alternative vehicle at the same time.

Putting things right

To put things right, Stellantis must:

Allow Mr J to reject the car

End the agreement with nothing further to pay

Arrange for the car to be collected at no cost to Mr J

Refund the deposit/part exchange contribution of £2,020

Refund all rentals paid under the agreement

Pay 8% simple interest on all refunded amounts from the date of payment to the date of settlement

Pay compensation of £150 for distress and inconvenience

Remove any adverse information from Mr J's credit file in relation to the agreement if

appropriate

My final decision

My final decision is that I uphold the complaint. Stellantis Financial Services UK Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 May 2025.

Emma Davy
Ombudsman