

The complaint

Ms P complains about the quality of a car supplied to her on hire by Santander Consumer (UK) Plc ('SC').

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In February 2024 Ms P took out a hire agreement with SC for a new car. However, she says she was unhappy with it since day one because:

- It had mileage on it when she received it;
- it was not spotless and had some sticky residue on the interior, and some scratch marks on the glove compartment and back driver seat door;
- it has been 'erratically revving up' whether driving or stationary which she believes is causing it to use more fuel and be inefficient; and
- it alerted her the software needed updating already.

She wants to return the car and have her deposit refunded.

The complaint about the matter reached this service. Our investigator concluded that the only inherent faults appeared to be cosmetic – and these had been remedied. But due to the inconvenience caused to Ms P SC should pay her £250 compensation.

Ms P asked for the matter to be considered by an ombudsman. In summary, she says this is because:

- No car should have cosmetic marking when it is new;
- no car should have out of date software when delivered (which she was unable to update herself by the 'self-service' feature);
- no car should have revving issues when delivered; and
- she is still having issues with the car, namely the electric windows.

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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

The agreement in this case is a regulated consumer hire agreement. As such, this service

is able to consider complaints relating to it. SC is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that “the quality of the goods is satisfactory”.

The Consumer Rights Act 2015 says the quality of goods are 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. So it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the vehicle’s history.

The Consumer Rights Act 2015 (‘CRA from now on’) says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of goods.

SC provided Ms P with a new car. I think it’s fair to say that a reasonable person would expect the level of quality to be higher than a second-hand, more road-worn car. And that it could be used – free from defects – for a considerable period of time.

Ms P complained of cosmetic issues with the car from an early stage – namely two interior marks. Even minor cosmetic issues can render a new car of unsatisfactory quality. I don’t have clear evidence of the nature of these marks or the likely cause. However, and in any event, from the information I have seen Ms P requested that the dealer rectify these. And this was carried out.

Although the cosmetic issues were rectified I can see there was some back and forth with the dealer – and Ms P was inconvenienced. So I think that a compensation payment is fair. I can see that the marks were a source of frustration and annoyance for Ms P and even though she appears to have been provided a courtesy car there was some degree of inconvenience in having any repairs carried out. Noting that it was disruptive to her schedule and meant she had to spend time engaging in correspondence to get it sorted out over some time. Overall, I don’t think the level of inconvenience was significant enough to say that Ms P was fairly able to reject the car under the CRA. The car was still drivable. I am sorry to hear about the stress and anxiety it has caused. But I think the payment our investigator has put forward of £250 is fair and reasonable in the circumstances.

That aside, I know Ms P has complained about other things with the car. However, while I am sorry to hear about the frustration Ms P has had I am not persuaded these other issues she has raised are a breach of contract. I will explain.

Firstly, the issue with the revving and fuel consumption has not been proven as a fault. While I appreciate what Ms P says about this – I can see from a job sheet it appears the dealer tested the car and couldn’t find anything wrong. I also note it did not mention a fault Ms P had said regarding warning lights appearing regarding repairs. It also appears that SC offered to carry out an independent report which Ms P did not agree to. So I can’t fairly say there is an inherent fault in this respect which renders the car of unsatisfactory quality.

Secondly, I know Ms P is unhappy the car came needing software updates. However, it is reasonably expected that software (especially on more modern and technology dependant cars) will require updating from time to time and that even new items can arrive requiring further updates. This is part of the general and ongoing maintenance of a car – similar to

mechanical maintenance. And while Ms P is frustrated she was unable to update the car herself, I don't have sufficient evidence to persuade me there is an inherent fault with the car in this respect.

Since the complaint has come to this service Ms P has raised other issues with the car. Namely with a rubber door seal which has come loose. It isn't clear to me that this is an inherent fault based on the information I have – as it could have been knocked loose. However, Ms P is able to have this looked into further and present any new information to SC in future that might support her claim that the car is of unsatisfactory quality.

Ms P has more recently raised an issue with the electric windows which is being investigated. Once again – this was not part of her original complaint – and I think it requires further investigation before any definitive conclusions can be made. Ms P is able to approach SC about this issue once further investigations have been carried out.

In summary, I consider that it isn't fair and reasonable to say Ms P can reject the car in the particular circumstances here. There were potentially minor faults relating to cosmetic issues – but these were rectified. However, she should receive compensation for the inconvenience caused.

Ms P has not really focused on this issue when the matter was referred to me – but for completeness I will briefly cover that she had mentioned the car arrived with around 180 miles on it when it was meant to be new. I note this appears to be the 'drop off' mileage from delivery of the car. And it does not count towards Ms P's mileage allowance under the lease so she won't be disadvantaged by it. It follows that I don't think SC needs to do anything further in this respect.

I remind Ms P that I am only looking at matters informally. She is able to reject my findings and consider taking the matter by more formal avenues (such as court) if she wishes.

Putting things right

If she accepts my decision I direct SC to pay Ms P the compensation as set out below.

My final decision

I partly uphold this complaint and direct Santander Consumer (UK) Plc to pay Ms P £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 26 August 2025.

Mark Lancod
Ombudsman