

The complaint

Miss W complains about the quality of a car supplied to her by Stellantis Financial Services UK Limited ('SF').

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 March 2024 SF supplied Miss W with a new car under a hire purchase agreement.

Miss W says that since taking delivery of the car it has an ongoing intermittent rattle coming from the left side of the dashboard/bonnet. She says this is distracting when driving and makes her feel anxious.

Miss W says she has brought up the issue several times with the dealer, manufacturer and SF – and the car has been seen by the dealer at least seven times. However, the issue to date has not been remedied and Miss W would like to return the car.

Miss W raised a complaint with SF. It was unable to provide a substantive answer to the complaint and referred her to this service to look into things.

Our investigator upheld this complaint. Miss W agreed with the recommendations. However, SF did not respond so the matter has been referred to me for 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.

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.

I note SF has been unresponsive in respect of providing information about this complaint – so I have had to go on the more limited information I have been provided by Miss W. In that respect, although I have not been provided with a copy of the finance agreement – I am satisfied from the other information that Miss W has provided (including screenshots of her finance account) that she has taken out a hire purchase agreement with SF for a car in March 2024.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. SF is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

For completeness, I note that recently Miss W has complained of other issues with the car that have come up. These appear unrelated to the noise issue she has complained about here and would need to be addressed with SF separately before this service can look at this.

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.

SF supplied a brand new car to Miss W here. 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.

My starting point is Miss W has provided credible and consistent testimony to say that since taking delivery of the car she has noticed an intermittent, but distracting, rattling noise. I can also see that she has provided information (like email correspondence) to show that she reported the issue to the dealer soon after supply of the car (around 3-4 months after) – and that the dealer was carrying out investigations.

I don’t have copies of the job sheets showing the investigations carried out by the dealer. However, noting SF’s lack of response in relation to this complaint it isn’t something that would be fair to go against Miss W here or delay things, particularly in light of the other information provided.

I do have several videos of the car being driven with the noise which Miss W has provided. These all appear to show the noise while some of these show the noise to be particularly prominent. It certainly doesn’t sound normal to me and I can see why Miss W would find it disconcerting and distracting.

Overall, I am persuaded that there is a fault with the car – in that there is likely an intermittent noise occurring that is not normally expected. And considering the car was supplied brand new, and the issue appears to have occurred soon after supply I am persuaded a reasonable person would not consider the car was of satisfactory quality when supplied.

In making my findings here I note SF has not provided any substantive response to the issues in hand. It follows that it has not persuaded me that the car is not faulty, or that any faults can be explained by other factors (such as misuse or accidental damage).

I now turn to a fair remedy. I am persuaded from the information I have that Miss W has attempted to engage with the dealer to get the issues resolved and the car has gone in for repairs. But it appears that this has been unsuccessful as Miss W says the noise is ongoing. So in line with her consumer rights under the CRA I consider it fair Miss W is able to

exercise her final right to reject the car.

SF should collect the car without charge. And end the finance agreement – ensuring that Miss W is not liable for payments relating to the period after collection (refunding her any overpayment if applicable). It should ensure there is no adverse information relating to the agreement on her credit file.

Miss W should have any deposit refunded that she has contributed. From the documents I have it isn't clear what this is – but she says it is £2,000. I can't say for sure – but SF will have to refund whatever deposit contribution was made by Miss W (excluding any element that is a dealer contribution).

Miss W has been using the car to date so my starting point is that she is liable for monthly payments up to the point the car is collected. However, I am persuaded that her use of the car has been notably impaired by the ongoing and intermittent rattling sound (which she says is present about 25% of the time driving). It means Miss W has been paying for a new car experience that she has not been getting.

Miss W has also described the notable impact of the issue with the car on her. She says it has put her under a considerable amount of stress and caused her sleepless nights. I am sorry to hear this. I think SF should pay compensation for the stress it has caused – noting that I can't see where it sufficiently engaged with and supported Miss W to work through things. I can see it has also caused her inconvenience as she has had to take the car in to the dealer to look at on several occasions. And although she had a courtesy car– she has described how this on one occasion was not an automatic car. And although she can drive a manual she didn't feel comfortable doing this for a long trip she had planned – so she cancelled the trip.

I know Miss W has described the impact on her partner of the situation. I am sorry to hear this but I am unable to make any awards for financial loss or other compensation for him as he is not SF's customer. However, I can see that the impact on his use of the car has also affected Miss W by causing her additional worry and concern and inconvenience. I can factor this into any award.

In deciding overall compensation I have kept in mind our published guidance on awards for distress and inconvenience. Noting here that the impact of SF's breach of contract and lack of support with the issue has caused considerable distress upset and worry, along with inconvenience that has lasted over a considerable period of time.

I note that rather than make separate awards for impaired use and distress and inconvenience our investigator has instead directed SF to refund 35% of each monthly payment with out of pocket interest. Miss W has accepted this and SF has not responded. In the circumstances this does not strike me as an unreasonable way to put things right. So I am doing the same here.

Putting things right

See below.

My final decision

I uphold this complaint and direct Stellantis Financial Services UK Limited to:

- End the finance agreement ensuring the customer is not liable for monthly rentals after the point of collection (it should refund them any overpayment for these if

- applicable);
- take the car back without charging for collection;
- refund any deposit contribution;
- refund 35% of each monthly payment made;
- pay 8% simple yearly interest on each refund from date of payment to the date of settlement; and
- ensure there is no adverse information remaining on Miss W's credit file as a result of this settlement.

If SF considers it should deduct tax from my interest award it should provide Miss W with a certificate of tax deduction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 18 August 2025.

Mark Lancod
Ombudsman