

## **The complaint**

Mr M complains about the quality of a new car he acquired through a conditional sale agreement with Volvo Car Financial Services UK Limited ('Volvo'). Mr M says that he was supplied with a different car than what he was led to believe he would be by the manufacturer and the dealership.

## **What happened**

Mr M's complaint is about certain aspects of the car he acquired. The car was new, and it was first registered in June 2023. The vehicle had a retail price of £60,455.01. Mr M paid a £30,800 deposit meaning £29,655.01 was financed.

Mr M acquired the car using a conditional sale agreement that was started in June 2023. This agreement was to be repaid through 37 monthly instalments; the first instalment was for £823.76 followed by 36 monthly instalments of £823.75. The agreement didn't have any interest, so Mr M was only paying for the car itself.

Below is a summary of the issues complained about by Mr M alongside what has happened in respect of the complaint.

After being unable to obtain the car he wanted through a dealership, Mr M received some assistance, from the dealership, to source another car. He went on to order this from the manufacturer directly.

Mr M has complained to Volvo saying that he was supplied with a car with different specification than what he thought he would receive. The vehicle is an electric car and he said he received a 2023 model with a lower range than the 2024 model he was expecting. He says that he wasn't told about this important difference, rather he was told that the vehicles had the same range by the dealership.

Volvo considered this complaint, and it didn't uphold it. It said the evidence it had didn't show that Mr M was told by the dealership, or in any of the surrounding sales correspondence, that he would receive the 2024 model, or a car with a greater range. It said the sales documents clearly show the vehicle model and the date it was registered, which is in 2023. Mr M didn't agree with this and brought his complaint to the Financial Ombudsman Service.

Our Investigator upheld Mr M's complaint in part. He said that the documentation he had seen did detail which car Mr M was agreeing to acquire and wasn't misleading. The website that Mr M saw before he purchased the vehicle, and which he said misled him about the car's range, wasn't available. There wasn't enough to say that Mr M was misled before he acquired the car.

He did think that the dealership's customer service could have been better at times, and he thought that Mr M should receive £300 compensation for any distress and inconvenience this may have caused him.

Volvo agreed to pay this, but Mr M didn't agree with our Investigator. He said that Volvo's website, that he provided a copy of, did show a car with a greater range. He said the solicitor cost more than the compensation offered. Our Investigator did consider this further information, he noted that the website didn't have the exact information that Mr M would have seen when he acquired the car. Because Mr M didn't agree, this matter has been passed to me 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.

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 was good industry practice at the relevant time.

Mr M says he was given false information by the dealership about the car, he essentially says that he was misled about the range of it. Mr M says he was told it would be higher than it is in reality. Had Mr M been aware of the range at the time, he wouldn't have entered into the finance agreement.

I understand Volvo wasn't a party to some of the sales negotiations, and it may not have been aware of what was discussed between Mr M and the dealership. But it can still be responsible for what was discussed and the information that Mr M was provided by a broker and or car dealer. This is because section 56 of the Consumer Credit Act 1974 establishes that a finance company can be held responsible for antecedent negotiations carried out by their agent that take place before the agreement is entered into.

And Section 75 of the Consumer Credit Act 1974 implies that, in supplying a regulated credit agreement, a finance provider can be held equally liable if there's been a breach of contract, or misrepresentation, by the supplier of goods

So, to uphold this complaint, I need to be satisfied that a misrepresentation has taken place, and I would also need to conclude that had the misrepresentation not taken place Mr M wouldn't have entered into the contract. This means I would need to see that a false statement of fact about the car's range was made, and this false statement induced Mr M into entering into the agreement.

It has been established that in May 2023 Mr M placed an order for a car through a dealership. This was for an electric car with an estimated 'electric range' of about 334 miles. I understand this was a 2024 model. This car wasn't available straight away and Mr M thought it was taking too long to obtain and he indicated that he no longer wanted to proceed acquiring this car.

When Mr M didn't want to proceed with this initial car order, the dealership sourced an alternative vehicle from the same manufacturer and type which Mr M then ordered online using what has been called a guided sales process. And he proceeded to order and acquire this second car.

Mr M understood that these cars would have a similar (albeit not identical) specification. However, the car he acquired was a 2023 model and he says it has a shorter range than the advertised range of the 2024 model he initially tried to acquire. He says that the range of this second car is only around 267 miles. He says it does not have the newer battery that would have been in the 2024 model, and this is why he can only drive the car for shorter distances with a fully charged battery.

Mr M says he either wasn't told about this important change, and or the information he received indicated that the range of the car he acquired would be the same as the 2024 model. So, he thinks he was misled.

I don't think it's in dispute that the documents Mr M completed in respect of the second car order, and the car finance, show that the car he acquired had a date of manufacture in June 2023. These show the make and model of the car, the size of the battery and the Kwh rating of it. I don't think any of the finance, or car order form documentation (and so on) are misleading in themselves about the car or its capabilities.

That said they also don't show the information that Mr M's complaint is essentially about. That is the expected range of the car and I agree that Mr M would not have been able to determine what the difference is in the car range from these documents. So, I've looked at the information Mr M says he was given by the dealership in conjunction with what he said he was told from the manufacturer's website about the car.

Mr M said he was told by the dealership that the car would have the newest battery available with a range of about 334 miles. I've seen an email from June 2023, from the supplying dealership - where they provided Mr M with information about the link and stated:

*'There is only ONE available from Volvo direct, should you wish to purchase this, its already built and in the UK be with you within 4 week but you'd have to buy it online from them and pay in full'*

Mr M has said that he thought this was confirmation that the car available on the webpage was the same specification as the original car he had ordered. But I don't think this information is misleading. It does provide information about where Mr M can purchase a car, it doesn't mention the range of it. And Mr M would have been able to make further enquiries about the car with the manufacturer if he wanted to. So, I don't think I can say that the dealership misled Mr M in its written (email) communications.

Mr M says he accessed the information on the manufacturers website that he was linked to in the above mentioned email. And he said that the website described a car of the same colour and description as the one he acquired. And that the range specified on the webpage was 334 miles. A copy of what Mr M viewed on the website is no longer available. So, I also can't say with certainty that what Mr M saw here about the range of the battery was incorrect.

Lastly the dealership and Volvo don't agree that Mr M would have been misled in person about this. And whilst I'm not discounting what Mr M has said, where two parties' versions of events differ I do need to be able to say that one version is more likely than the other for it to affect the outcome of a complaint. And I don't have enough to be able to say this here.

I do accept that the range of the car was likely to be important to Mr M and he may have discussed it with the dealership. I don't have full information here about what the range of the car he acquired should be, or what he was told about this. So, I accept there is some uncertainty here.

But there is also an element, I think, of the comparison Mr M is making is not entirely on a 'like for like' basis. This is because he seems to be comparing the manufacturers stated electric range, which is an estimate, with the range the car is capable of during normal usage.

I have looked at the (current) manufacturers website for the car he acquired and whilst a range is stated there are also various disclaimers that say the actual driving range will be lower in normal usage. I think it's very likely that Mr M would have seen this kind of information when he acquired the car. And this is normal for an electric car.

And Mr M says when he received the car he was told that the lower range than that 'advertised' was due to real world driving factors lowering the actual range of the car in practice. Mr M has noted himself that the range of the vehicle is affected by several factors when driving. And it is not unreasonable to say that the maximum theoretical range of an electric vehicle could be reduced by about 20% to account for these. Which would mean the range of 334 miles would work out to be 267 under normal driving conditions. Which is close to what Mr M says he is achieving.

This does lead me to conclude that, even if Mr M was provided with different information about the maximum range of the vehicle (if it was different), than his decision to buy would probably not have been any different.

So, having considered everything, I'm not upholding Mr M's complaint about him being misled.

As our Investigator said there is a lack of clarity about what information the dealership, gave to him. And Volvo has accepted that it potentially could have done better here, and this may have caused Mr M some distress and inconvenience, when he was told that the battery range was lower than he may have seen. I agree that £300 is reasonable compensation for this. But, in the absence of any further information to say that Mr M was misled at the time of sale, I don't think any further compensation is reasonable.

### **Putting things right**

Volvo should pay Mr M £300.

### **My final decision**

For the reasons I've explained, I partly uphold Mr M's complaint. Volvo Car Financial Services UK Limited should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 May 2025.

Andy Burlinson  
**Ombudsman**