

The complaint

Mr O complains about issues with the collection of a car that had been supplied to him under a hire agreement with RCI Financial Services Limited, trading as Nissan Finance.

What happened

A new car was supplied to Mr O under a hire agreement with Nissan Finance that he electronically signed in November 2020. The hire period was 36 months and Mr O agreed to pay monthly rentals of £252.44. Mr O extended the agreement for another twelve months and he arranged for the car to be collected in November 2024. The collection was aborted because the car had a stop/start warning light.

Mr O complained to Nissan Finance that the car hadn't been collected but it didn't uphold his complaint. It said that it was satisfied that its agents acted in accordance with its collection procedures in aborting the collection. It also said that the car's MOT had expired and it would need to be collected using a transporter at a cost of £240 for which Mr O would be liable.

Mr O wasn't satisfied with its response and complained to this service in December 2024. The car was collected in January 2025. Mr O's complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that, because there was a warning light on the car's dashboard, she couldn't see that Nissan Finance had made any errors or acted unfairly by refusing to collect the car on the arranged date, as it made Mr O aware that that would happen and it's part of the terms of the hire agreement.

Mr O didn't accept the investigator's recommendation and has asked for his complaint to be considered by an ombudsman. He says, in summary, that:

- the stop/start issue shouldn't be treated as a separate matter as it's central to his complaint and has had a direct financial and procedural impact;
- the way the car collection was handled, and the subsequent charges, was unfair given that the root problem was known and unresolved;
- Nissan Finance, as the regulated finance provider, shares responsibility under the Consumer Credit Act when the product that it finances develops faults, especially when those faults lead to additional penalties and complications.

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.

Nissan Finance wrote to Mr O in August 2024 about the end of the hire agreement. It included a vehicle return check list, a damage charge matrix and a list of "Do's and Don'ts" which said: *"Make sure that there are no warning lights illuminated on the dashboard"*.

Nissan Finance wrote to Mr O again in September and October 2024. It said in both of those letters: *"If our agents are unable to collect the vehicle on the date of collection, you will be charged for an aborted collection at a cost of £168 (including VAT at the current rate) ... Reasons for our agents being unable to collect the vehicle include ... warning lights illuminated on the dashboard"*.

There doesn't seem to be any dispute that the car had a stop/start warning light illuminated in November 2024 when the scheduled collection was due to take place. The third party that was collecting the car on behalf of Nissan Finance aborted the collection because of that warning light.

Mr O says that the stop/start issue occurred when the car was under warranty and he made an appointment for repairs but was asked to pay a deposit, which he declined, and he called the office to ask for the reason for payment, made a complaint and also asked for someone to contact him but nothing was done and he'd been using the car.

The terms and conditions of the hire agreement say: *"You must take reasonable care of the Goods. This includes ensuring that they are kept in good repair and condition at all times and are serviced and maintained in accordance with the recommendations of, and at the service intervals specified by, the manufacturer ..."*.

Mr O says that the car was under warranty but Nissan Finance didn't provide him with a warranty and the hire agreement didn't include maintenance or service of the car. Nissan Finance has provided its notes for Mr O's account and they show that he called it in September 2023 to discuss the details of an extension to the hire agreement and he said that he'd had manufacturer issues but the car was okay now and that he was told to refer to the dealer for any merchandise queries. I've seen no evidence to show that Mr O told Nissan Finance about an issue with the car's stop/start function or that he complained to it about any issues with the car.

Mr O had agreed to take reasonable care of the car, to keep it in good repair and condition and to maintain it in accordance with the manufacturer's recommendations. I don't consider that he did that as he continued to use the car and didn't have the issue with the stop/start function dealt with so he was in breach of the hire agreement.

Mr O was written to three times by Nissan Finance and was told that he should make sure that there were no warning lights illuminated on the dashboard and that its agents would be unable to collect the car if there were warning lights illuminated on the dashboard. There was a warning light illuminated on the dashboard in November 2024 when the scheduled collection was due to take place and I'm not persuaded that the third party, acting on behalf of Nissan Finance, acted incorrectly when it aborted the collection.

The car passed an MOT test in November 2023 so its MOT test certificate expired in November 2024. The car then passed an MOT test in March 2025 so between November 2024 and March 2025 it didn't have a valid MOT test certificate. The terms and conditions of the hire agreement say: *"You must ensure that a current MOT test certificate is obtained for the Goods when this becomes necessary and will not allow the Goods to be used without a current certificate in force when applicable. The Goods must be returned to us with at least 1 months' valid period of MOT remaining at the date of its return"*. I consider that Mr O also breached the hire agreement as he didn't ensure that the car had at least one month remaining on its MOT test certificate in November 2024 when the scheduled collection was due to take place and that he didn't ensure that the car had a current MOT test certificate after the expiry of the November 2023 MOT test certificate.

The car was collected from Mr O in January 2025 and he's been charged for damage to the

car, other issues with it and collection charges. Mr O complained to Nissan Finance in November 2024 about issues with the collection of the car and he then complained to this service. I'm only able to consider in this decision issues that were raised in Mr O's complaint to Nissan Finance so I'm unable to make any findings about issues arising from the January 2025 collection of the car. If Mr O wants to complain about those issues, he should complain to Nissan Finance and then, if he's not satisfied with its response, he may be able to make a separate complaint to this service.

I'm not persuaded that there's enough evidence to show that Nissan Finance acted incorrectly in connection with the aborted collection of the car in November 2024. I find that it wouldn't be fair or reasonable in these circumstances for me to require it to waive any aborted collection fees, to pay any compensation to Mr O or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr O's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 11 July 2025.

Jarrold Hastings
Ombudsman