

The complaint

Mr I complains that a car supplied to him under a conditional sale agreement with Santander Consumer (UK) Plc trading as Santander Consumer Finance (SCF) is of unsatisfactory quality.

What happened

In November 2017, Mr I entered into a conditional sale agreement with SCF to acquire a used car. The car was almost three years old, with a mileage of around 65,268. The cash price of the car was £12,500.00, and an advance payment of £1,500.00 was paid. The total amount payable on the agreement was £16,546.20, to be paid by 60 monthly instalments of £250.77.

Mr I explained that he encountered issues with the vehicle around seven months into the agreement. Mr I added there was a lot wrong with the vehicle and it had been in and out of the garage and repair shop. Mr I explained the screen would go blank, there would be no acceleration, and he'd have to turn the car off and start it back up again. Mr I also added that he didn't know he had to tell the finance company straight away. He also explained the car had gone into a body shop for repairs, the repainer got broken into and two head lights, a bumper grill and a wing were taken. Mr I also said the car was an ex-hire car, that he didn't test drive it, the agreement was rushed and that he voluntarily terminated the agreement. Aside from the circumstances of the complaint, Mr I has explained he has a diagnosed mental health condition and how this affects him. I want to thank Mr I for sharing this information with our service as this is helpful context necessary to keep in mind when investigating complaints.

Mr I complained to SCF about the issues with his vehicle. SCF issued a final response to the complaint. In its response, SCF didn't uphold the complaint. It said that as the vehicle is not in Mr I's possession it is unable to address the issues.

As Mr I was unhappy with this response, he brought his complaint to this service, where it was passed to one of our investigators. The investigator didn't uphold the complaint. They said that there wasn't enough evidence to show that there was a fault with the vehicle, meaning they couldn't say the car was of unsatisfactory quality when it was supplied. Mr I disagreed with this outcome, and so I've been asked to review the complaint to make a final decision.

As a note, Mr I also mentioned as part of his complaint circumstances around the voluntary termination of the agreement. The investigator explained in their outcome, that our service was unable to investigate these points as a complaint had been raised out of the time limits allowed for our service to investigate. I agree with the investigator for the same reasons that the issues raised around the voluntary termination are not something our service can consider as these have been brought outside the six-month timescale allowed for complaints as set out by the final response referral rights and rules around time-limits. I will not be considering these points or making a finding on these in this decision. This decision will focus on the quality of goods complaint raised.

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.

There has been a number of issues raised, and as such a lot of information provided. I won't comment on everything in my decision, but I have considered everything provided to inform and reach my final decision. If something hasn't been commented on directly, it has been considered.

Mr I acquired a car under a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr I's complaint about SCF. SCF is also the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply of the car and its quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory, fit for purpose and as described". To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances. The CRA also explains the durability of goods is part of satisfactory quality.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

In this case, Mr I acquired a car that was just under three years old and had travelled around 65,000 miles. As this was a used car with this mileage and age, it's reasonable to expect parts may already have suffered more wear and tear when compared to a new car or one that is less travelled. There's a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn.

I've reviewed what we've been provided with about the issues Mr I explained he experienced with the car. Based on the information I have available, I'm not able to say there was a fault with the car. I say this because I have nothing to show the car suffered faults in the way Mr I has described. I don't doubt what he has said is true to the best of his knowledge, however for me to say there was a fault with the vehicle and to consider if the fault made the vehicle of unsatisfactory quality when it was supplied, I'd need to see evidence of it. This could be things like diagnostic reports, inspection reports, job sheets or invoices from a repairer or anything I can see evidencing the fault complained about. I can see Mr I has explained he had some receipts but no longer has these. Without seeing any evidence of information about what was wrong with the car, it is not fair for me to say there were faults making it of unsatisfactory quality.

Mr I has explained how his medical condition affects him and some of what has happened to him due to his condition. I would like to note that I acknowledge this will likely have made things much more difficult for Mr I. Given Mr I's condition and the context around this, I don't think he has acted unreasonably in taking the actions he has done with the vehicle, however I'm unable to say that this means there was a fault, or that the vehicle was of unsatisfactory quality when it was supplied.

As I'm not persuaded there was a fault with the car, it follows that I'm not persuaded the car was of unsatisfactory quality when it was supplied.

My final decision

Although I acknowledge why Mr I is unhappy with what's happened, my final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 31 July 2025.

Jack Evans
Ombudsman