

The complaint

Mr S complains that a car supplied to him under a personal contract purchase (PCP) agreement with Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance (MBF) is of unsatisfactory quality.

What happened

The circumstances surrounding this complaint and my initial findings were set out in my provisional decision which said:

“In July 2023 Mr S entered into a PCP agreement with MBF to acquire a used car. The car was around four years and two months old, with a mileage of around 16,800. The cash price of the car was £26,299.00 with a deposit of £6,489.60 being paid including part-exchange.

The total amount payable on the agreement was £32,866.90, payable by 48 payments of £323.26 with an optional purchase payment of £10,850.00.

Mr S explained that whilst viewing the car, he'd noticed a large crack in the windscreen that hadn't been present in the video he was sent previously. Mr S added the dealership agreed to replace this, although he also raised questions around the process for obtaining the replacement, as the dealership made it contingent upon receiving a five star review. Mr S also explained he encountered several other issues with the car, these included vibration issues, wind noise, an exhaust brake issue and problems with the drivers side window motor. Mr S also raised several concerns with the dealership involved in the sale.

Some of the issues were eventually resolved, such as the windscreen replacement and brake pads and disc replacements. However Mr S was still unhappy about the window motor, wind noise, vibration and exhaust brake issue. Mr S complained to MBF about the quality of the car. In it's final response, MBF said they could see the windscreen had been replaced, the brake pads and discs had been replaced alongside correcting the wheel over-tightening, it confirmed Mr S had the tyres changed due to a vibration worsening when travelling over 70 miles per hour, but ultimately it was reasonable to expect wear and tear to occur and that there was nothing else MBF needed to do to put things right.

Mr S disagreed and as such, brought his complaint to this service, where it was passed to one of our investigators. The investigator upheld the complaint in part. They explained that the windscreen and window motor issues were present at the point of sale, and weren't reasonable to expect on a car such as the one Mr S agreed to purchase, making it of unsatisfactory quality when it was supplied. The investigator didn't agree that the exhaust brake and vibration issue were present or developing at the point of sale or made the car of unsatisfactory quality. Finally, the investigator considered that if Mr S obtained diagnosis of the wind noise and burning smell and these were found to be present or developing at the point of sale, this should be explored further.

The investigator explained MBF should reimburse Mr S a percentage of his monthly payments for the time the windscreen and window motor issues were present, alongside covering costs for repairing the window motor. The investigator also explained that if a

diagnostic is obtained showing the cause of the wind noise and burning smell, if applicable MBF should take appropriate steps to repair. The investigator also explained that Mr S accepted both the price of the car he acquired and his part-exchange vehicle and that certain actions taken by the dealership can't be investigated by this service, but may be able to be looked at elsewhere.

Both Mr S and MBF disagreed with the investigator.

Mr S said that he was told by the service manager that they knew the car had a vibration issue meaning MBF did nothing about it. Mr S explained this issue only went away when he replaced the tyres with upgraded ones.

The investigator asked Mr S for any evidence of this conversation with the service manager, to which it could not be provided.

MBF said it hadn't had the chance to review some of the issues as the car had not been seen at its retailer network since September 2023. MBF also asked if there is any evidence that the vehicle had the issues described. MBF also said that Mr S hasn't suffered impaired usage of the vehicle due to the mileage he's been able to travel and it asked why he hadn't taken the car back if the issue with the window motor persisted.

The investigator replied to MBF to explain Mr S had raised a complaint so had been waiting for the outcome of this to have it repaired. The investigator also said that the cracked windscreen and broken window motor aren't affected by the mileage travelled and would have affected Mr S' enjoyment of the car.

Following this, Mr S contacted the investigator to explain the car had been written-off following an accident. Mr S said the car had been sold with significant wear to key safety related components including tyres, brake parts and the driver window motor. Mr S maintains the tyres were not fit for purpose. This then changed the investigator's outcome due to the car being written off.

The investigator issued a new outcome, explaining that now the repairs can't happen, MBF should reimburse Mr S a percentage of his monthly payments until the windscreen was replaced, with a lesser percentage reimbursed from when the windscreen was replaced until the agreement was settled to reflect the window motor not working properly.

As the complaint did not reach a resolution, I have been asked to review to make a decision."

I sent Mr S and MBF my provisional decision on 5 September 2025. I explained why I thought the complaint should be upheld. The key parts of my provisional findings are copied below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

"I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr S acquired a car under a PCP agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr S's complaint about MBF.

MBF 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.

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 S acquired a car that was around four years and two months old and had travelled around 16,800 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 newer 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 the available evidence about the issues Mr S experienced with the car. Based on what I’ve seen, I’m satisfied that there were faults with the windscreen and window motor. I say this because neither MBF nor Mr S dispute that the car had a crack in the windscreen, and I’ve seen two reports of the window motor requiring attention. Having considered the car had a fault, I’ve considered whether it was of satisfactory quality at the time of supply.

I can see that Mr S was unhappy about the windscreen issue, and I’ve seen emails between himself and the dealership where they are discussing replacing it. Mr S said he couldn’t see the crack on the video he was sent, but raised this when inspecting the car. I’m persuaded by the evidence available this likely happened as Mr S explained. A reasonable person may well expect the windscreen to be defect free when paying what I’d describe as a significant amount of money for a car. I acknowledge it didn’t fail the MOT but I’m persuaded it still needed attention, and the dealership likely agreed to replace it. It’s a little concerning reading the emails around the dealership only agreeing to replace the windscreen on receipt of a five star review, and insinuating this wouldn’t be replaced due to the lesser review left previously so I can understand why Mr S was concerned around the conduct here. Eventually the windscreen was replaced as agreed.

This brings me to the issue with the window motor. There are three reports of there being an issue with this. There is the RAC breakdown report in September 2023 that mentions the driver door window struggling to close as if motor is under strain, there is an invoice in October 2023 showing an investigation into the electrical function for side doors and then program and code control unit after quick test. Mr S had also been raising the issue around the window. MBF believed this had been resolved, however Mr S explained this issue persisted. It was explained that Mr S didn’t follow this up as he was complaining about several issues with the vehicle and was waiting for resolution on these.

An invoice and vehicle health check in April 2025 shows the driver’s side switch pack as being broken with the driver’s window rails noisy and a motor burning smell. All of this information persuades me that the issue with the window motor was present or developing at the point of sale, as Mr S had raised this, and I’ve seen multiple instances of it being recorded on various documents. I’m persuaded the coding likely didn’t resolve the issue fully in October 2023.

The RAC report also mentions the exhaust brake issue raised by Mr S. This confirms there was a fault code stored. They cleared the fault and restarted the engine. The report

comments no fault on xentry – suspect customer knocked speed limiter, customer to monitor issue. There is no further evidence about this issue. As such I'm not persuaded this was a fault present or developing at the point of sale or that MBF need to do anything differently in relation to this point.

There is also not enough evidence about the wind noise or burning smell for me to say there was a fault present. I can see this couldn't be replicated when the car was inspected, but, intermittent faults can occur from time to time. Having said this, as I'm not persuaded there was a fault in relation to these points, it follows that I'm persuaded MBF don't need to do anything differently in relation to this, especially as the car has now been written off.

Mr S was unhappy in relation to the vibration issue raised. I can see an email explaining that after a road test, the wheels were found to be over-tightened causing brake discs to warp and juddering to occur when brakes are applied. I've also seen an invoice confirming work to replace the brake pads and discs in October 2023. Mr S explains this did not resolve the vibration issue he was experiencing and explained this was appearing at speed, not when braking. From communications, it appears Mr S was experiencing the vibration issue at speeds of over 70 miles per hour. Mr S also said that once he replaced the tyres as the ones the vehicle were supplied with were not MO approved, the vibration went away.

I'm not persuaded that the vibration issue made the vehicle of unsatisfactory quality, and as such, it is not fair to ask MBF to reimburse him for replacement tyres. The vehicle had passed an MOT before the sale, and had the tyres have been unsafe, it is likely this would have been noted but I can't see any advisories or fails at this MOT. I acknowledge why Mr S would want premium manufacturer tyres, however, this is not a requirement on vehicle sales, and I can't see that the dealership told Mr S the specification of tyre that would be supplied. As the vibration appeared to have been present or worse at speeds over the speed limit in the UK, I'm not persuaded the tyres or the vibration issue made the vehicle of unsatisfactory quality.

Mr S explained he was told about the vibration issue by the customer service manager. I don't doubt that this is true to the best of his knowledge, and he went to some lengths to try to obtain evidence of this, I'm not persuaded that this makes a difference. Firstly there isn't enough evidence for me to say that the dealership were aware of it at lower speeds, and decided against trying to resolve it, but also if Mr S had been made aware of the vibration and decided to proceed with the purchase, this could suggest that he was happy to purchase the vehicle regardless. There isn't enough evidence for me to say that the vibration and tyre issue made the vehicle of unsatisfactory quality for the reasons I've explained.

I just wanted to note Mr S's point around the price he paid for the vehicle, and the value he was given for his part-exchange. I can see Mr S agreed to the price of the vehicle and the value of his part-exchange, so I can't say that MBF have done anything incorrectly here. All of the information appears to have been given to Mr S for him to make a decision, and he has decided to part-exchange his car for the value offered, and agreed to buy the car under this agreement for the price agreed.

I acknowledge Mr S' comments about the dealership and actions he's been unhappy with, as the investigator explained, these may be able to be dealt with by another service, and I can see Mr S has explained he's followed this route."

I Invited both parties to make any further comments. Mr S responded to accept the provisional decision and provided no further comments. MBF responded to say it had no further comments to make.

Now both sides have had an opportunity to comment, I can go ahead with my final decision.

What I've decided - and why

As neither party responded to my provisional decision with any further information that would change my reasoning or outcome, I see no reason to depart from my findings above. I've copied below what I provisionally decided MBF need to do to put things right. As I received no further information or comments that affect this, this has also not changed.

Putting things right

As I've concluded that the car was not of satisfactory quality when it was supplied in relation to the windscreen and window motor, I think it's reasonable that MBF should put things right. In this case, replacement of the windscreen and repair to the window motor would have been the fair outcome in the main alongside reflecting the loss of enjoyment, however there are certain factors that have affected this. It appears to have taken the dealership over a month to replace the windscreen and Mr S did not find this easy to come by looking at the communication between himself and the dealership. Alongside this, the window motor does not appear to have been appropriately fixed. I can see there was an attempt to do this, but I've explained why I'm persuaded this didn't resolve things. In ordinary circumstances, a repair would be fair. However as the vehicle has been written off this isn't possible. I've also kept in mind the amount of time this appears to have been unresolved for. It is fair for MBF to refund Mr S a portion of his monthly payments due to the issues and how long they were prevalent for.

Mr S has also had to pay for a diagnostic to evidence that there is still a problem with the window motor. It is fair that this evidenced cost is reimbursed by MBF.

Thinking about the overall impact to Mr S, I acknowledge what MBF have said around the miles travelled and that this would show his use of the car has not been impaired. Having said this, I'm persuaded he will have enjoyed the car less than he would have done if it was of satisfactory quality and didn't have these issues. However, I'm persuaded a fairer way to acknowledge this, is for MBF to pay Mr S a refund of 10% of each monthly payment he made from the start of the agreement to the date of settlement. I disagree with the investigator that an extra 10% needs to be paid for the time the vehicle had two outstanding issues. I say this because the crack in the windscreen whilst annoying, has no evidence that it significantly affected Mr S' use or enjoyment of the car for that period just because it had two issues. The window motor again was not confirmed to have not been working, but that it was working under strain or more slowly than likely expected. These will have had impact on Mr S, but I'm persuaded that 10% of each payment made from the start of the agreement to the date of settlement is a fairer way to recognise the overall impact on Mr S's enjoyment of the car.

Having thought about this loss of enjoyment or impaired use, I've also considered if a payment for distress and inconvenience is relevant in this complaint. Mr S has explained the issues have caused him significant distress. Having thought about what's happened and what's been said, I'm persuaded it is fair for MBF to pay Mr S £200.00 for the distress and inconvenience caused. There will have been times where Mr S has needed to take his car for repairs and inspections, having to take him away from his day, costing time and effort that he wouldn't needed to put in if the car was of satisfactory quality and this has been running on for some time.

My final decision

For the reasons explained, I uphold Mr S's complaint and instruct Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance to do the following:

- Reimburse a portion of each monthly payment as outlined above.
- Reimburse some evidenced costs as outlined above.
- Pay 8% simple yearly interest* on the above, to be calculated from when Mr S made the payments to the date of the settlement.
- Pay Mr S £200.00 for distress and inconvenience caused.

*HM Revenue & Customs requires Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance to deduct tax from the interest amount. Mercedes-Benz Financial Services UK Limited trading as Mercedes-Benz Finance should give Mr S a certificate showing how much tax it has deducted If he asks for one. Mr S can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 October 2025.

Jack Evans
Ombudsman