

The complaint

Mrs K complains that a car supplied to her under a conditional sale agreement with Volvo Car Financial Services UK Limited (VCFS) 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 December 2023, Mrs K entered into a conditional sale agreement with VCFS to acquire a used car. The car was around four months old, and had travelled around 3,000 miles as listed on the agreement paperwork. The cash price of the car was £34,060.00, and an advance payment of £10,000.00 was paid. The total amount payable on the agreement was £38,567.64, to be paid by 36 monthly payments of £249.09 followed by a final payment of £19,600.40.

Mrs K explained that soon after acquiring the vehicle, she noticed a noise when braking around 40-50 miles per hour. Mrs K added that she'd taken the vehicle into a manufacturer linked repairer on three occasions and had been told each time that it was a known issue with no fix currently. Mrs K has also explained she finds the noise to be a safety hazard and it has caused her to swerve the vehicle on occasion.

As she was unhappy with the car, Mrs K complained to VCFS about it. VCFS issued its final response to the complaint. It said that the manufacturer of the vehicle has confirmed the noise was a characteristic of the car and supplied a link to a page stating that "a squealing sound can occur when starting the engine by depressing the brake pedal, this sound does not affect the car's functionality or performance."

Mrs K was unhappy with this, as she's explained the noise doesn't happen when starting the engine, but when she is driving and braking.

VCFS offered to obtain a report on the vehicle to see if there was a fault. An independent inspector investigate the car and issued a report. In the report, the inspector explained that there was no excess noise from the engine when starting, once there was an abnormal noise emitted from ABS pump area when slowing down from low speed, that they were informed this was a characteristic of the vehicle, that the issues would have been present or developing at the point of sale, they were unable to confirm squeaking from the braking system, the vehicle is not fault free and that the issue requires further investigation.

After this report, VCFS remained of the opinion that the car was of satisfactory quality when it was supplied, due to the information supplied by the vehicle manufacturer. Mrs K remained unhappy with this.

As such, Mrs K brought her complaint to this service, where it was passed to one of our investigators. Mrs K also supplied a video of the fault occurring. The investigator thought that the complaint should be upheld. The investigator explained that the vehicle was not of satisfactory quality due to the noise. VCFS responded to explain it didn't agree and provided

some detailed information from the vehicle manufacturer about the noise.

As VCFS disagreed with the investigator's outcome, I've been asked to review the complaint to make a decision."

I sent Mrs K and VCFS my provisional decision on 21 August 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.

"Mrs K 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 Mrs K's complaint about VCFS. VCFS 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. The CRA also explains the durability of goods is part of satisfactory quality.

In this case, Mrs K acquired a car that was around four months old and had travelled around 3,000 miles. As this was a used car with this mileage and age, it's reasonable to expect parts may already have suffered a little more wear and tear when compared to a brand-new car or one that is even less travelled. There could be a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn. Having said this, the car was nearly new, and had not travelled a significant distance so a reasonable person may expect to use it free from faults for a significant period of time.

What I need to consider in this case is whether the car was of satisfactory quality or not. It isn't in dispute here that the car intermittently makes a noise when braking as all parties are in agreement about this. Mrs K says this shows something is wrong with the car. VCFS say this is a characteristic of the car and does not affect the performance or functionality of it.

So, what I firstly need to decide is whether the noise when braking shows a fault with the car or not.

I acknowledge what Mrs K has said about the noise, and that it can be distracting. Mrs K has also explained how the noise isn't when starting the engine, but when she is already driving and brakes. I've also taken into account the independent inspection report carried out on the vehicle.

VCFS have supplied detailed information from a senior employee of the vehicle manufacturer which explains that the driving scenario Mrs K has experienced and sent video evidence of, is the same situation that is a characteristic of this vehicle. The information explains that between certain speeds a function can take place where the engine shuts down allowing the vehicle to roll freely, which helps to reduce fuel consumption and emissions. In this mode, the engine may automatically restart in specific situations such as

when the brake pedal is pressed. During these conditions a noise may be heard from the transmission. Software updates have been implemented to minimise the occurrence of the noise. It occurs under specific conditions and is characteristic of the engine and transmission combination. It does not indicate any malfunction and poses no risk to the driveline or other components. It should be regarded as a normal operational sound.

Three videos were also supplied, showing similar driving situations to Mrs K's own video, and displaying a similar noise.

Having carefully considered all of the available information, I am not persuaded that there is a fault with the vehicle.

I say this because I'm persuaded by the information provided and the video evidence, that on balance, the noise is likely to be a characteristic of the vehicle and not a fault. The information from a senior employee at the vehicle manufacturer is persuasive in its explanation of the noise and how and why this occurs, alongside the videos provided showing very similar situations and sounds to the one Mrs K provided.

I acknowledge Mrs K isn't happy with the noise when it happens and finds it a hinderance, however the noise is confirmed to be a characteristic of the vehicle, that doesn't affect performance or functionality. I appreciate Mrs K may not expect to have a noise like this whilst driving, but this does not mean that the vehicle has a fault. It is hard to tell from videos alone, but the noise does not appear to be significantly louder or different than the noises supplied in evidence of the car characteristic, however I do acknowledge why Mrs K would have been concerned when she heard it and didn't know what it was.

I considered the independent inspection report, and whilst the inspector says the issue would have been present or developing at the point of sale and that the vehicle is not issue free, they also say it requires further investigation and they'd been told it was a characteristic of the vehicle. I'm more persuaded that the senior employee of the vehicle manufacturer has access to a greater level of information about the vehicle and how it performs, and as such, I'm persuaded that the noise Mrs K has in her car is a characteristic of the vehicle.

I also acknowledge that Mrs K believes that the noise in her car is different because it doesn't occur when starting the engine but when she is driving, however I've explained that the written statement supplied alongside the video evidence show that this does cover the scenario Mrs K has described.

It follows that as I'm not persuaded there is a fault with the vehicle, I'm not persuaded it was of unsatisfactory quality when it was supplied."

I invited both parties to make any further comments. Mrs K responded to disagree with the provisional decision, and supplied some comments as to why, and I've summarised these below. VCFS responded to accept the provisional decision.

Mrs K explained that she disagrees the noise is a characteristic rather than a fault. It happens under certain driving conditions that Mrs K considers unsafe, it is distracting and has caused Mrs K to feel concerned about the vehicle performance and safety when driving. The explanation of the characteristic doesn't change Mrs K's experience as the car owner. Mrs K also said that the independent inspection report made no reference to the noise being a characteristic and concluded a fault was present or developing at the point of sale. Mrs K added that a vehicle does not need to be undriveable to be of unsatisfactory quality. Alongside these points, Mrs K also said that it is not reasonable to expect a customer to accept such a noise without prior disclosure, and that if the noise is a characteristic it should have been disclosed at the point of sale and software updates imply that the manufacturer

recognises it is a problem.

I acknowledge what Mrs K has said about her unhappiness with the noise and why she feels it is a fault. I also appreciate why she's raised the inspection report from the independent inspector. As outlined in the provisional decision, The inspector did consider the vehicle had an issue that was present or developing at the point of sale, but that they'd also been informed it was a characteristic of the vehicle. The testimony from the vehicle manufacturer is detailed and persuasive in explaining that the noise is a characteristic of the vehicle in specific scenarios and that it does not affect the safety or performance of the car. When considering this together with everything else, there isn't enough for me to say that the characteristic is a fault that makes the vehicle of unsatisfactory quality. Mrs K is right in that the manufacturer have issued software updates to try to lessen the impact of this, but this in itself does not mean it is a fault. Software updates can be used for a number of things, and whilst I acknowledge why Mrs K thinks this shows a fault, it could also well be the manufacturer trying to lessen the impact of the characteristics of the vehicle.

Mrs K raised issues about vehicle safety, but I have seen nothing to show that the noise is a safety issue. Mrs K drives the vehicle and has explained that she has been distracted by it, and has been concerned about vehicle performance and safety. There is not enough information to persuade me the noise is a safety or performance related issue making the vehicle of unsatisfactory quality. I agree with Mrs K that a vehicle does not have to be undriveable to be deemed of unsatisfactory quality, but there is no evidence showing that the vehicle has a fault making it of unsatisfactory quality in this case, although I appreciate Mrs K disagrees with this.

Mrs K also questioned disclosure of the characteristic at point of sale and that it isn't reasonable to expect a customer to accept such a noise without prior disclosure. I can't see that Mrs K has raised a potential mis-sale complaint, and as such this decision has dealt with the satisfactory quality complaint only. I can't see that VCFS has been given the opportunity to answer or issue a final response on a misrepresentation complaint and as such I can't consider points related to it at this stage. If Mrs K is unhappy with how the vehicle or agreement was sold to her or what was disclosed at the time she purchased it, she may well be able to raise this as a new complaint with VCFS to investigate, answer and resolve if needed.

Having considered all of the available evidence, along with Mrs K's new comments, I'm not persuaded that the car has a fault making it of unsatisfactory quality when it was supplied.

Now both sides have had an opportunity to comment, and I have had the chance to review the evidence again alongside these, I can go ahead with my final decision.

My final decision

I again acknowledge why Mrs K is unhappy with the noise her vehicle makes under specific circumstances when braking, however having considered all of the information and for the reasons explained above, I do not uphold Mrs K's complaint.

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

Jack Evans
Ombudsman