

## The complaint

Mr U complains about a car supplied to him using a conditional sale agreement taken out with Hyundai Capital UK Limited trading as Kia Finance (“Kia Finance”).

## What happened

In June 2022, Mr U acquired a used car using a conditional sale agreement with Kia Finance. The car was less than a year old, the cash price of the car recorded on the agreement was £48,000, the agreement was for 60 months, made up of regular, monthly repayments of £832.02. The advance payment was £7,500. The mileage of the car at the point of supply was around 7,150 miles.

In May 2024, Mr U complained to both the branch of the supplying dealership and Kia Finance as he wished to reject the car. Mr U provided a copy of a diagnostic completed on the car. The mileage recorded for the car at the time was 15,383 miles. Mr U believed there were faults with the car and aspects he wasn’t made aware of at the point of supply. Mr U said he experienced issues on a few occasions, and he tried to contact the dealership about them. The issues Mr U raised were in relation to the car’s:

- gasoline particulate filter (“GPF”) and a light in relation to it illuminating on the dashboard. Mr U said he was told that the car required a “regen” which the dealership could perform at an additional cost as it wasn’t covered under warranty.
- boot closure system. Mr U said he was told by the dealership that it was functioning as designed, despite Mr U believing there was a safety issue with it.
- wheels and an issue Mr U felt he experienced when he tried to turn the car at half or full lock. Mr U said he was told by the dealership that this wasn’t a fault and was due to the wheel size.

The dealership responded and explained that they didn’t accept the rejection of the car, nor did they think Mr U could reject it. They went on to explain that no fault had been identified with the car and that Mr U had continued to drive it for several months, without any issues, So they didn’t think there was a fault with the car that was present or developing at the point of supply that would have meant it was not of satisfactory quality. Kia Finance also explained they didn’t uphold Mr U’s complaint and issued their final response in May 2024. Mr U said he didn’t receive this final response, so Kia Finance sent a copy of it later to him.

Later, in June 2024, Kia Finance provided a further final response where they partially upheld Mr U’s complaint. They offered Mr U compensation for the service they provided, but didn’t change their position on Mr U being able to reject the car. Kia Finance later provided further final responses to Mr U. In summary, they didn’t change their position on the matter.

Unhappy with Kia Finance’s response, in January 2025, Mr U referred his complaint to our service. Among other things, Mr U still believed there to be a safety issue with the car’s boot and wheels when turning. Mr U also believed he wasn’t informed about the GPF and that the car was required to be driven at higher speeds on occasions to prevent it from clogging.

Our investigator issued their view where she explained that she didn't uphold Mr U's complaint. In summary, our investigator didn't think there were any faults with the car which made it of unsatisfactory quality at the point of supply. The investigator also didn't think Kia Finance did anything wrong in relation to the information Mr U was supplied about the GPF fitted to the car.

Mr U responded and explained that he didn't agree with the investigator's findings. Among other things, Mr U strongly felt some of the issues with the car were design flaws, and not a quirk or characteristic of the car. Mr U supplied a video in his submission to our service, where his arm was in the path of the car's closing boot. He believed this was evidence to show that the boot closing mechanism wasn't functioning as it should.

As Mr U disagreed with the investigator's findings, the complaint was passed to me to decide.

### **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.

Having done so, I'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr U complains about a car supplied to him under a conditional sale agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr U's complaint about Kia Finance.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – Kia Finance here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note here that the car Mr U acquired was less than a year old at the point of supply, with a mileage of around 7,150 miles, and the cash price of the car being £48,000. I think a reasonable person would expect it to be in very good condition, with no faults or issues. And I think they would expect trouble free motoring for a significant period.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

#### Had the car developed a fault?

The crux of Mr U's complaint revolves around issues he has experienced with the car, which I will consider in turn below.

#### *The boot closure mechanism*

Mr U has supplied a video to our service where he held his arm in the path of the boot while it was closing, and it continued to close. Mr U believes this shows that there is an issue with the boot closing mechanism as he believes he had to quickly remove his arm out of the path before his arm got trapped while the boot was closing.

I'm mindful that while a diagnostic form had been supplied to our service, no information was supplied on it to show the investigations that had been carried out to the boot closing mechanism. However, Mr U has explained that he took the car to the dealership to be diagnosed and was told it was functioning as designed.

In the absence of a job sheet or an independent inspection to confirm a fault with the boot closing mechanism, I have relied on the owner's manual for the car which is available on the manufacturer's website. The manual says:

*“Warning*

*Make sure there are no people or objects around the liftgate before opening or closing the power liftgate...*

*...if the power liftgate is blocked by an object or part of the body, the power liftgate will detect the resistance... if the resistance is detected while closing the liftgate, it will stop...*

*Notice*

*Never intentionally place any object or part of your body in the path of the power liftgate to make sure the automatic reversal operates..."*

I have inferred from the manual that the power liftgate is designed to stop if it detects resistance. And that you should ensure people or objects are moved out of the way before operating the power liftgate. I'm also mindful that the manual goes on to say later that if the resistance is weak or the liftgate is near the latched position, the automatic stop may not detect the resistance.

Considering both the manual and the video that Mr U has supplied, I'm not persuaded there is a fault with the boot closing mechanism. I say this because I have noted that the short video Mr U supplied doesn't show that the boot fully closed when his arm was in the way. Towards the end of the video, it showed that the boot had stopped just before the liftgate reached the latch as Mr U removed his arm. So, I think it shows that the car did detect the resistance of Mr U's arm and then stopped before it fully closed. It follows that I don't think the video supplied conclusively shows there to be a fault with the boot closing mechanism.

However, even if I was to conclude that the car didn't detect the resistance of Mr U's arm in the video, no other evidence has been supplied to show there is a fault with the boot. And I'm mindful that the dealership also doesn't believe there to be an issue with the closing mechanism after inspecting it. So, I'm satisfied from what I have seen that there isn't a fault with it and it is working as designed.

*The issue with the wheels when Mr U makes a half or full lock turn*

Once again, I'm mindful that while a form has been provided to show a diagnostic/investigation was carried out to the car, no information has been supplied on the form to show the specific investigations that had been carried out to the wheels. However, Mr U said he was told by the dealership that there wasn't a fault in relation to turning the car at half or full lock, but it was rather due to the wheel size. Mr U says the dealership told him there was no defect to the car's suspension or steering mechanism.

So, with the limited information available, I'm not persuaded that there is an issue or a fault in relation to the car's wheels as one hasn't been identified. While I have considered the additional information Mr U has supplied about other cars from different manufacturers having similar issues and those cars having to be recalled due to safety concerns, I'm mindful that it wasn't in relation to the car that Mr U had acquired. So, I don't think it is relevant to these circumstances.

Considering everything here, in the absence of evidence to show that there is a fault with the car, I'm not satisfied there is one.

#### Misrepresentation in relation to the gasoline particulate filter

Mr U complains among other things that he wasn't told during the sales process that the car would require specific driving patterns, which meant he had to drive the car regularly for around 20-30 minutes at speeds above 50 mph, to prevent the GPF light appearing on the car's dashboard. I have carefully considered what Mr U has said here.

When considering what's fair and reasonable, I take into account relevant law, regulations and guidance. The CRA is relevant here. It explains, in summary, that goods supplied must match the description given.

Section 56 of the Consumer Credit Act 1974 ("S56") is also relevant to this complaint. S56 explains that, under certain circumstances, a finance provider is liable for what was said by a credit broker or supplier before a credit agreement is entered into. I'm satisfied S56 applies here. So, I can consider what Mr U says he was told about the car and finance by the dealer before he entered into the contract.

What I need to consider here is whether the car didn't meet a description or was misrepresented to Mr U. A misrepresentation would have taken place if Mr U was told a 'false statement of fact' about the car, and this induced him into entering into the contract to acquire it when he otherwise would not have.

To be clear, from my understanding I haven't seen anything to suggest that the car *can't* be driven at low speeds or only for smaller journeys. But rather, by predominantly doing so, it may require a regen to be completed on occasions. I'm also mindful that I haven't seen any evidence to suggest Mr U discussed his requirements with the supplying dealership or with Kia Finance about his use of the car, nor has Mr U disclosed in his submissions to our service that he did hold these conversations during the sales process. So, while I want to reassure Mr U that I have considered his comments in relation to this, I'm satisfied a false statement of fact wasn't made here from the information I have seen. And this same logic can be applied as to why I'm satisfied the car supplied to Mr U was as described. It follows that I don't think Kia Finance needs to do anything further in relation to this specific complaint point.

Having seen the final response letters issued to Mr U, I can see that Kia Finance has offered some compensation to him in relation to service that has been provided. It is unclear if Mr U accepted this offer and/or whether it has been paid to Mr U. If Mr U wishes to accept this offer, then I suggest he contacts Kia Finance directly about it, if it is still available.

#### **My final decision**

For the reasons I've explained, I don't uphold this complaint. So, I don't require Hyundai Capital UK Limited trading as Kia Finance to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or

reject my decision before 8 August 2025.

Ronesh Amin  
**Ombudsman**