

The complaint

Mr G is unhappy that a car supplied to him under a conditional sale agreement with Stellantis Financial Services UK Limited trading as Vauxhall Finance (Vauxhall) was misrepresented to him and of unsatisfactory quality.

What happened

In September 2022, Mr G entered a conditional sale agreement with Vauxhall to acquire a brand-new car. The cash price of the car was £30,352 and the deposit was £4,650, which included a £2,750 dealer contribution. The amount of credit was £25,702 and the duration of the agreement was 49 months; with 48 monthly payments of around £381 and a final payment of around £13,413.

Mr G wasn't supplied with the car until November 2022, as a charging issue was identified prior to collection. Mr G was provided with a courtesy car while repairs were carried out, which included software updates and installation of a new traction charger.

In March 2023, Mr G complained to the manufacturer about the poor range he'd been able to achieve from a single charge. He returned the car to the dealership in December 2023 for investigation and it was returned to Mr G in February 2024, with no fault being found.

Mr G complained to Vauxhall and asked to reject the car in December 2023. He said there had been issues with the battery since day one and he'd provided ample opportunity for the issue to be fixed. Vauxhall didn't uphold his complaint. They said their liability ended in March 2023 so it's now Mr G's responsibility to prove there is an existing fault that was present or developing at point of supply.

Unhappy with this response, Mr G referred his complaint to this service. Our Investigator reviewed matters and said without evidence to support there was a fault with the battery, they were unable to conclude that Vauxhall had supplied him with a car that wasn't of satisfactory quality.

Mr G didn't agree. In summary, he said the car only achieves around 54% of the promoted range, which is clearly a failure. He said he never would've bought the car had he known there would be such a huge range discrepancy.

As no agreement was reached, the matter was passed to me to decide.

I issued a provisional decision outlining my intentions to uphold the complaint. I said:

I think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a reasonable outcome is. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've taken into account the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

Mr G was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

Was the car misrepresented?

Under section 56 of the Consumer Credit Act 1974, the finance provider (Vauxhall) can be held responsible for what they say and for what is said by a credit broker or a supplier before the consumer takes out the credit agreement. So, I've taken this into account when considering this complaint.

To conclude there has been a misrepresentation in Mr G's case, I must first be satisfied that:

- 1. A false statement of fact has been made; and*
- 2. That false statement induced Mr G to enter into the agreement to acquire the car.*

Both points need to be satisfied for me to say a misrepresentation has been made.

Mr G believes the car was misrepresented to him based on the information contained within the manufacturer's product literature. I've reviewed the price and specification guide and can see the battery range is advertised as 222 miles. So, I'm satisfied Mr G was told the car's mileage range was around 222 miles as he's alleged. However, it goes on to explain the range achieved will depend on a number of factors such as use of accessories, charging frequency, driving style, load and route characteristics, weather, heating/air conditioning and battery condition.

It also explains that the mileage range given is an estimated measure based on the WLTP (Worldwide Harmonised Light Vehicle Test Procedure) and the figure should only be used to compare electric range figures with other cars tested to the same technical standard. This is common practice within the motor industry.

I wasn't party to the conversations Mr G had with the supplying dealership prior to entering the agreement, so I don't know how the car was presented to him. But given Mr G has referred to the manufacturer's product literature, I think, on balance, it's more likely than not Mr G was either provided with this or it was readily accessible, and that made it clear the mileage range wasn't guaranteed.

I don't doubt Mr G would've been disappointed to find the range to be much less than he expected, and appreciate he feels strongly that he wouldn't have bought the car had he known there would be such a large discrepancy. But I haven't seen sufficient evidence that persuades me the dealership made a false statement of fact to Mr G.

As I don't consider the first misrepresentation criteria has been met, it's not necessary to consider the second criteria. Based on the above, I don't find the car was misrepresented.

Was the car of satisfactory quality?

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr G entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into

account the description of the goods, the price paid, and other relevant circumstances. In this case those relevant circumstances include, but are not limited to, the age, mileage and cash price of the car at the point of supply. The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In this case, the car was brand-new. So, I don't think it's unfair to suggest that a reasonable person would expect a car of this type and cost to meet high standards of performance and durability. It should also be free from defects.

It's not disputed here that there was a charging issue that required repair prior to the car being supplied to Mr G, nor that this fault made the car of unsatisfactory quality. Repairs were carried out and Mr G was kept mobile with a courtesy car for the first two months of the agreement.

Mr G raised his concern about the battery range to the manufacturer around four months after being supplied with the car. He was provided with information regarding the impact of usage and specific environmental factors that the achieved range depends on, and advice on how to maximise the range. However, they also recognised that Mr G was only getting half the projected range, so a diagnostic check may be in order to investigate what might be causing the "large deficit". This seems to accept the range Mr G reported could indicate a problem, rather than it being within the expected range for his car.

I've seen a Technical Service Bulletin (TSB) relating to insufficient range for the model of Mr G's car which includes expected, albeit variable, ranges based on the age and mileage of the car and season the testing takes place. The guidance says to inform the customer the car conforms to its specification, if the range is within the range of distances set out. And if below, to carry out in-depth fault finding. The noted range for a new car is 205-211 miles, with 141-200 miles being noted for cars over eight years old or with a mileage exceeding 100,000.

Mr G's car was tested in the winter. The technician's warranty report confirmed the range of the battery was showing at 191 miles, and on testing the actual distance travelled was 118 miles full to flat. But diagnostic testing found no faults with the battery.

A case was raised for battery analysis and the manufacturer advised:

"...in practice the actual range may be different from the homologated range (WLTP). This varies, for example, according to the driving style, the speed, the use of comfort and auxiliary equipment, the exterior temperature, the number of passengers, the load and the topography. However, depending on the usage profile, 80% of drivers will be able to travel between 220 and 320km. The lower limit covers journeys at moderate speed on motorways, as well as journeys in low outside temperatures in winter. Of course, it is possible, particularly for journeys around town, to travel further the distance in the WLTP cycle."

In February 2024, the dealership confirmed a field service technician had found the car was working within its parameters.

I've carefully considered all the evidence available, including what Vauxhall has said about the external factors that impact the battery range. I agree Mr G should reasonably expect a variation in range depending on the circumstances, and this isn't disputed by Mr G. But even after allowing for variations in the conditions described above, I find the range being achieved here to be significantly lower than the range reasonably expected.

Based on the information within the TSB, the range achieved during testing was less than

the bar set for much older cars, or cars with significant mileage. And this seems to have been recognised as lower than usual, given the manufacturer suggested diagnostic testing. The technician referred the case for battery analysis based on the result of the testing, and advice was given to replace the charging cable and run three driving cycles to rebalance cells of the traction battery if the incident persists. If the range being achieved was within usual parameters as has been suggested, I would've expected this to be advised to Mr G straight away.

All of the above, in addition to there being a battery related fault at the outset, persuades me it's more likely than not the car is defective in some way, causing the battery to not perform as expected. And given this was a brand-new car, which under the CRA should be free from defects, I consider the car wasn't of satisfactory quality when it was supplied to Mr G and remained of unsatisfactory quality after Vauxhall had opportunity to repair it.

Putting things right

Having determined the car wasn't of satisfactory quality when it was supplied to Mr G due to the battery issue, I've next considered what Vauxhall should do to put things right, considering the remedies set out in the CRA.

Here, the car has undergone one repair and lengthy diagnostic testing for the battery range issue. While diagnostic testing confirmed the poor range achieved, the cause wasn't identified in order to resolve the issue. So, I don't find it reasonable that Mr G be put through the further inconvenience that would come with more testing, especially without any assurances that the issue is able to be resolved or improved.

For these reasons, I don't find Mr G's request to reject the car is unreasonable. So, Vauxhall should end the agreement with nothing further to pay and arrange collection of the car at no cost to Mr G. When cancelling the agreement, Vauxhall should ensure no adverse information is recorded on Mr G's credit file.

Mr G has had fair usage of the car while it's been in his possession. And while it was at the dealership for repair and diagnostic testing, he was also provided with a courtesy car to keep him mobile. Because of this, I think it's only fair that he pays for this usage. So, I won't be asking Vauxhall to refund any of the payments he's made.

However, Mr G should be refunded the deposit he paid at the start of the agreement – not including the dealer contribution. Interest should be calculated at 8% simple per year from the date of payment until the date of settlement.

In addition to the above, I've considered that Mr G was inconvenienced by the issues he's experienced with his car. He was without the car for the first two months of his agreement, during which he was clearly concerned about the agreement being in place for a car he had not been supplied with. And while he was provided with a courtesy car, he told the dealership at the time that this wasn't practical for all of his needs. Mr G says long distance journeys have been very difficult due to the poor range and he had to return the car to the garage again for this to be investigated. With this in mind, I think Vauxhall should pay Mr G £250 compensation for the distress and inconvenience caused by being supplied with a car that was of unsatisfactory quality.

I invited both parties to respond with any further points or evidence they wanted me to consider before I issued my final decision on this complaint.

Mr G accepted my provisional decision and didn't offer any further comments or submissions for my consideration.

Vauxhall didn't respond.

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.

As there are no further submissions for me to consider in relation to this matter, I see no reason to alter the conclusions reached in my provisional decision as set out above. That is, Vauxhall supplied Mr G with a car that wasn't of satisfactory quality and to put things right, they should now:

- End the agreement with nothing further for Mr G to pay;
- Refund the deposit paid by Mr G – not including the dealership contribution;
- Pay 8% simple yearly interest on the deposit refund - calculated from the date of payment to the date of settlement†; and
- Remove any adverse information recorded on Mr G's credit file in relation to this credit agreement. The credit agreement should be marked as settled in full on his credit file, or something similar, and should not show as voluntary termination.

†If Vauxhall considers that tax should be deducted from the interest element of my award, they should provide Mr G with a certificate showing how much they have taken off so he can reclaim that amount, if he is eligible to do so.

My final decision

For the reasons explained, my final decision is that I uphold Mr G's complaint about Stellantis Financial Services UK Limited trading as Vauxhall Finance and direct them to settle the complaint in accordance with what I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 September 2025.

Nicola Bastin
Ombudsman