

The complaint

Mr C complains about a car he acquired using a conditional sale agreement with Santander Consumer (UK) Plc trading as Santander Consumer Finance ("SCF"). He says the car wasn't safe to drive.

What happened

Mr C entered into a conditional sale agreement with SCF in August 2024 for a car. The cash price of the car was just under £13,800 with mileage of around 68,000.

A few days after Mr C acquired the car, he took it to the dealership for a previously agreed service. The dealership's job card states they serviced the front brake pads, front brake discs, oil and air filters, as well as changing the oil, respraying the front and rear bumpers and refurbishing the alloys.

In January 2025, Mr C complained to SCF about the car. He said he had problems accelerating it when it was put into drive. And Mr C said the car displayed a warning that the rear tyre needed air, even though he had inflated all the tyres to the correct pressure.

SCF arranged for an independent inspection of the car. The subsequent report said the inspector couldn't find a fault with the tyre pressure monitoring system and the tyre pressures were correct at the time of the inspection. The report also said there was a slight delay and hesitation with the car when it was put into drive but considered this to be a characteristic of a semi-automatic transmission system. The report concluded by saying the car was fault free and had been durable and reliable since Mr C acquired it.

SCF didn't uphold Mr C's complaint as they felt the report showed there weren't any faults with the car. Mr C didn't agree and referred his complaint to our service. Our investigator initially felt the complaint shouldn't be upheld as he felt SCF were entitled to rely on the conclusions reached in the independent report. He subsequently recommended the complaint should be upheld following further evidence provided by Mr C.

Our investigator said it would be fair for SCF to refund 10% of the payments Mr C had made to the conditional sale agreement from the date he acquired the car to when the issue with the car was resolved. He also recommended that SCF refund Mr C the cost of the invoice which set out there was a fault with the car. And he felt SCF should pay Mr C £100 for the trouble and upset he'd been caused.

Mr C didn't agree this fairly resolved his complaint. SCF didn't reply to our investigator's view.

As the matter remains unresolved, Mr C's complaint has been passed to me for a decision.

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.

I'm aware I've summarised the events of this complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr C and SCF that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. I've concentrated though on what I think are the key issues, which our powers allow me to do.

SCF supplied the car to Mr C under a regulated conditional sale agreement. Our service can consider complaints about the agreement and the goods, in this case the car. As the supplier of the car, SCF has an obligation to ensure it is of satisfactory quality, as set out in the Consumer Rights Act 2015 ("CRA"). Satisfactory quality is what a 'reasonable person' would expect, considering amongst other things the age and price of the car.

Section 9 of the CRA refers to satisfactory quality and notes that the quality of goods includes their state and condition. It goes on to list the following aspects, amongst others, of the quality of goods: (a) fitness for all the purposes for which goods of that kind are usually supplied; (b) appearance and finish; (c) freedom from minor defects; (d) safety; (e) durability.

It's reasonable in my view to note the car wasn't new and had travelled around 68,000 miles at the time of supply. So, it wouldn't be reasonable to expect a used car like this to be in the same 'as new' showroom condition which it would have been when first manufactured and supplied. But just because the car was used with mileage doesn't mean that SCF had no requirements in relation to satisfactory quality.

Initially, SCF rejected Mr C's complaint because of the contents of the independent report. I think that was a reasonable decision for them to take at that time. I say this because the report concluded the car was fault-free. And SCF had no evidence to show otherwise.

However, as I mentioned in the previous section of my decision, Mr C presented further evidence to our investigator. This was a report from a third-party servicing centre that specialise in the servicing of the make and model of car that Mr C acquired. This third party noted the following in its invoice to Mr C:

'Checked and reported on vehicle not accelerating correctly...

'Vehicle had not been taken out of delivery mode, generally from factory, a vehicle is put into delivery mode and when a PDI is carried out at a dealership the technicians should be taking vehicle out of delivery mode. We have taken vehicle out of delivery mode, carried out ECU update, carried out road test, all okay'.

On balance, I think the above evidence is sufficient for me to conclude the car wasn't of satisfactory quality when it was supplied to Mr C. A reasonable person would expect that a dealership would do what was required to ensure the car ran as it should. And I think this explains why Mr C was having problems accelerating the car when it was put into drive.

It seems the third-party servicing centre fixed the car to the extent that it was running as it should, and I've not seen evidence to contradict that. I note Mr C has sent in other evidence such as an invoice from another third party setting out that the front doors had to be adjusted because they weren't closing properly, and the number plate having to be secured as it wasn't put in properly. I haven't though seen enough evidence to support that this was because of the condition of the car when it was supplied. And even if I'm mistaken on that, the invoice in question doesn't set out that Mr C was charged for the repair works.

I've also noted that Mr C has sent in an invoice from May 2025 showing he paid around £650 for work to be done on the car. Although our investigator didn't comment on this in his view, for the sake of completeness, I don't think this should be refunded to Mr C by SCF.

The invoice in my view sets out normal servicing to serviceable parts of the car, which is to be expected during normal car ownership.

Overall, I'm satisfied that the car is now in the condition it's expected to be in. So, I don't find there are grounds to say Mr C should be allowed to reject the car and hand it back.

However, I do think Mr C is entitled to compensation for what happened, which I will set out in the next part of my decision.

I will just add here though that Mr C has mentioned that the mileage cap of 6,000 that SCF has applied to his conditional sale agreement is unfair, and that he feels SCF tried to bribe him by asking to move his contractual payment date. These are separate, distinct complaints to the one about the car's condition. Mr C will need to raise this with SCF separately and await their response. Depending on that response, our service may be able to then consider the complaint.

Putting things right

Determining what is fair compensation isn't an exact science. Having carefully considered the matter, I think our investigator's proposal to SCF that they refund 10% of the payments Mr C made to them from the point of supply to the time the car was fixed, to recognise that he wasn't able to use the car as he was entitled to expect, is reasonable. I say this noting that Mr C was able to use the car by and large throughout since he acquired it,

I also think it reasonable for SCF to refund the cost of the invoice Mr C paid from the third-party servicing centre which showed there was an issue with the car. The invoice was for £132 and SCF should refund this and pay interest on this at 8% simple each year from the date of the invoice to the date of settlement

Mr C has also suffered inconvenience as a result of being supplied with a car that wasn't of satisfactory quality. SCF should make an additional payment of £100 in recognition of this. And they should ensure that any adverse information is removed from Mr C's credit file in respect of the agreement, in relation to this particular dispute, if any has been recorded.

My final decision

My final decision is that I uphold Mr C's complaint. I direct Santander Consumer (UK) Plc trading as Santander Consumer Finance to settle the complaint by:

- Refunding Mr C with £132, which was the cost of the invoice showing there was an issue with the car.
- Paying interest of 8% simple each year to the above from the date of payment (6 June 2025) to the date of settlement.
- Refunding 10% of the payments Mr C made to them under the conditional sale agreement from the first payment made, to 6 June 2025 when the car was fixed.
- Paying Mr C £100 for the inconvenience this matter has caused him.

- Ensuring no adverse information is recorded on Mr C's credit file in relation to this particular complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 November 2025.

Daniel Picken
Ombudsman