

The complaint

Mrs W complains that a car that was supplied to her under a hire purchase agreement with RCI Financial Services Limited, trading as Nissan Financial Services, wasn't of satisfactory quality. Mrs W's husband is also involved in her complaint.

What happened

A used car was supplied to Mrs W under a hire purchase agreement with Nissan Financial Services that she signed in May 2022. The price of the car was £11,360, Mrs W made an advance payment of £5,275 and she agreed to make 35 monthly payments of £173.88 and a final payment of £173.52 to Nissan Financial Services.

Mrs W complained to Nissan Financial Services in January 2025 about an oil leak from the car. She said that the car had been with the dealer for nine weeks and that the price that the dealer offered her to part-exchange the car was too low. Nissan Financial Services hadn't provided a substantive response to her complaint so Mrs W complained to this service in March 2025.

Nissan Financial Services issued its final response to Mrs W's complaint in April 2025. It said that the car had been fully repaired and the timing chain cover and oil pump had been replaced so there was no further assistance it could provide with her complaint. As a gesture of goodwill, it offered Mrs W £250 as an acknowledgement of the distress and inconvenience that she'd been caused by the length of time that it had taken to repair the car and resolve her complaint. It said that it was unable to provide any financial assistance with the costs of part-exchanging the car.

Mrs W's complaint was then looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He said that it seemed likely that there was a fault with the car but he thought that the car was of satisfactory quality when it was supplied, so he didn't think that it would be fair to ask Nissan Financial Services to do anything more to resolve Mrs W's complaint.

Mrs W didn't accept the investigator's recommendation and her husband says that she wants her complaint to be considered by an ombudsman. He says it's completely unfair that it took so long to fix the oil leak, the car had to be repeatedly taken back for the same problem, the courtesy car wasn't comfortable to drive, the dealer offered to source a replacement car but no car was offered to them, and when asked about a part exchange it offered bottom price for the car and no discount towards a replacement. He also says that they asked the dealer about extending the warranty after the car had been repaired but it said that it would extend the warranty only if the complaint was withdrawn.

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.

Nissan Financial Services, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mrs W. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mrs W was first registered in April 2019 so was about three years old, it had passed an MOT test in March 2022 when its mileage was recorded as 24,910 miles and the price of the car was £11,360. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

There was no mention of an oil leak from the car when it passed the MOT test in March 2022. The dealer says that its pre-delivery inspection identified a fault with the car, which was repaired, but the delivery of the car was delayed. It says that, as a gesture of goodwill, it provided Mrs W with a 12 month additional warranty, refunded her July 2022 payment of £173.88 and gave her free use of a loan car. When Mrs W complained to Nissan Financial Services in January 2025, she didn't complain about those issues so I'm unable to make a finding about them in this decision.

The car passed an MOT test in March 2023 when some advisories were noted, including an oil leak which was described as "*not excessive*" that they should "*monitor and repair if necessary*". The car's mileage at that time was 32,533 miles, so 7,625 miles more than when the car was supplied to Mrs W. Mrs W took the car to the dealer for it to be repaired.

The car passed an MOT test in March 2024 when some advisories were noted, including an oil leak which was described as "*not excessive*" that they should "*monitor and repair if necessary*". The car's mileage at that time was 41,484 miles, so the car had been driven for 8,951 miles since the March 2023 MOT test. Mrs W took the car to the dealer for it to be repaired and there have been repeated attempts by the dealer to repair the oil leak.

Mrs W complained to Nissan Financial Services about the car in January 2025 and it said in April 2025 that the car had been repaired. The car passed an MOT test in March 2025 and there was no advisory about an oil leak. The car's mileage at that time was 46,571 miles, so 21,661 miles more than when the car was supplied to Mrs W.

I've seen no evidence to show that an oil leak from the car had been identified before the March 2023 MOT test. That was about ten months after the car had been supplied to Mrs W and in that time it had been driven for 7,625 miles. The car was then nearly four years old and had been driven for 32,533 miles and I don't consider that an oil leak that was described as "*not excessive*" would cause a car of that age and mileage not to have been of satisfactory quality when it was supplied. I'm not persuaded that there's enough evidence to show that the car wasn't of satisfactory quality when it was supplied to Mrs W in May 2022.

There have clearly been difficulties dealing with the oil leak because it was identified in March 2023 and, despite repeated attempts to repair it, it wasn't fully repaired until April 2025 when the dealer replaced the timing chain cover and oil pump. The dealer says that it provided Mrs W with a courtesy car when the car was being repaired. Mrs W's husband says that the courtesy car wasn't comfortable to drive but, as I don't consider that the car wasn't of satisfactory quality when it was supplied to Mrs W, I find that it wouldn't be fair or reasonable for me to require Nissan Financial Services to pay any compensation to Mrs W for the issues that she and her husband have had with the car since the oil leak was identified. Nissan Financial Services has credited £250 to Mrs W's bank account as an acknowledgement of the distress and inconvenience that she'd been caused by the length of time that it had taken to repair the car and resolve her complaint. I consider that to have been fair and reasonable in the circumstances.

Much of Mrs W's complaint seems to be about the negotiations with the dealer to part-exchange the car, the price offered for it, and a warranty for the repair. Her complaint to this service is about Nissan Financial Services, not the dealer. Nissan Financial Services supplied the car to Mrs W under the hire purchase agreement and wouldn't be responsible for the dealer's negotiations with Mrs W and her husband about those issues.

When Mrs W complained to this service in March 2025 she said that she wanted to reject the car. The car has been repaired since then and, other than its delay in responding to her complaint, I'm not persuaded that Nissan Financial Services has acted incorrectly in its dealings with Mrs W about the car. I find that it wouldn't be fair or reasonable in these circumstances for me to require Nissan Financial Services to allow Mrs W to reject the car, to pay her any more compensation or to take any other action in response to her complaint.

My final decision

My decision is that I don't uphold Mrs W's complaint.

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

Jarrold Hastings
Ombudsman