

The complaint

Mrs S is unhappy with the car supplied under the hire purchase agreement with Toyota Financial Services (UK) PLC trading as Toyota Financial Services (TFS).

When I refer to what Mrs S and/or TFS have said and/or did, it should also be taken to include things said or done on their behalf.

What happened

In October 2024 Mrs S entered into a hire purchase agreement with TFS to acquire a new car. The total cash price of the car was £41,106. The total deposit was £2,687.07 and the total amount payable was £41,106. There was one repayment of £500.63 one month thereafter, followed by 40 monthly repayments each of £500.77. And there was one repayment of £17,887.50 at 42 months after the delivery date, which included any purchase fee payable.

Within days after acquiring the car Mrs S emailed the supplying dealership and said that she was unsatisfied. She said she was most disappointed with the battery life. She said after charging it to full she could only do 202 miles. She said that all times a driver monitoring warning was appearing on the display. She said the car was uncomfortable to drive, the display was very small, and she felt that for that price of the car, it should have been better equipped.

The dealership replied and said that the charge is dependent on the time of year, and that in the summer the car can achieve a better range than in winter, due to the colder temperature conditions. They also explained that the driver monitor, safety feature, comes on only if it notices that the driver is not looking straight ahead for a certain period of time.

Mrs S replied saying this was misleading, because the supplying dealership told her she could travel 280 miles in the summer and about 240 miles in the winter, not 202. So, she said, this was a significant difference. As these specifications did not match the car manufacturer's promise, she wanted to withdraw from the purchase. The supplying dealership responded to Mrs S and said they did explain to her that the real-life range is dependent on whether she has the heating on, aircon, and is dependent on many other variables.

As Mrs S was unhappy with the responses she was receiving from the supplying dealership, she raised a complaint with TFS.

TFS wrote to Mrs S in December 2024. In this correspondence they said they are not upholding her complaint, and they are unable to uphold the rejection of the car. TFS said electric range figures are the maximum official (WLTP) test values provided for comparison purposes and can vary depending on factors such as selected grade and transmission, accessories fitted (post registration), driving style, weather conditions, speed, car and battery age, and carload. The electric range figures obtained are after a full battery charge. It is best to only compare electric range figures with other cars tested to the same technical procedures. These figures may not reflect the real-life driving results and actual charging

times may vary depending on various factors, including the selected car (and battery option, if available), the age, type, condition and temperature of the charging unit and the battery, the starting charge, the power supply to and usage of the charger, and the environmental conditions at the point of use. They explained that charge times will be longer in colder weather and if battery temperature activates safeguarding technology. They also said that the range will be dependent on whether Mrs S is mostly driving in city, suburban areas, or on motorways.

Unhappy with the above Mrs S referred her complaint to the Financial Ombudsman Service (Service).

Our investigator looked at Mrs S's complaint and was of the opinion that the complaint should be upheld. The investigator thought that the seller has failed to disclose important material information to Mrs S which affected her decision to enter the credit agreement. Finally, the investigator proposed, what they believed, a fair redress should look like.

Mrs S and TFS disagreed with the investigator. So, the complaint has been passed to me to decide.

After reviewing the case, I issued a provisional decision on 1 September 2025. In the provisional decision I said:

“What I’ve provisionally 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

I am very aware I have summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focused on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of our service as a free alternative to the courts.

What I need to decide in this case is whether the car Mrs S acquired was misrepresented to her by TFS and/or their agents. To make a finding of misrepresentation, I would need to be satisfied that Mrs S was told a false statement of fact that caused her to enter into a contract she would not have entered into otherwise. And if I am not satisfied there has been a misrepresentation, I still need to consider whether there has been a breach of contract because the goods might have been mis-described.

In summary, Mrs S has told us that, at the time of acquisition, the salesperson failed to provide accurate and transparent information about the car’s actual performance. She said she was not informed about the substantial drop in range during colder weather or when using basic features such as heating. Shortly after taking delivery of the car, she said she discovered that, with a full battery and the heating turned on, she could only achieve a maximum range of around 197 miles — far lower than the advertised figures. Furthermore, she said the salesperson did not explain how the battery performs in real-world conditions, and she believes she was misled regarding its true capabilities and usability. Mrs S said that the manufacturer’s claim that the battery can be fully charged in eight hours is inaccurate as

in practice, after a long journey and complete battery depletion, home charging has taken up to 20 hours.

While the complaint was at our service, Mrs S has also told us that she has concerns that the negative equity from her previous trade in car, which was rolled into the finance agreement in question, has not been properly and clearly disclosed or explained at the time of acquisition, either verbally or in writing.

She said the car was sold to her with an advertised range of up to 318 miles. However, in normal winter conditions, she has experienced a range drop of over 35%, which significantly limits the practical usability of the car. As such, she believes this constitutes a breach of the Consumer Rights Act 2015 (CRA), as the car is not as described and does not meet reasonable expectations.

She said she attempted to reject the car within 14 days of purchase, and she feels that under the CRA she is entitled to reject a product that is not fit for purpose or misrepresented within the first 30 days.

TFS have told us that the supplying dealership said they were confident that they provided Mrs S with the official data from the manufacturer regarding the mileage figures that the car should achieve. They said they warned Mrs S that she might not get the full mileage figures quoted. They said that whilst Mrs S states that she was quoted 280 miles in summer and 240 miles in winter, they do not have any evidence of the figures stated, but this does evidence that a conversation took place about the range variations due to different factors. They also said the supplying dealership confirmed in an email sent after the car's acquisition, that Mrs S has been told that the real-life range is dependent on whether she has the heating on, aircon etc., which they said Mrs S did not dispute in her response to them.

TFS also said that at the time Mrs S made her initial complaint to the dealership, she had only owned the car for one day and by quoting 202 for the achievable mileage, they believe this was based on one journey. So, they said they do not believe it is reasonable to base a decision on such small amount of data, which also has not been evidenced. And regarding the car taking too long to charge, TFS said the dealer, on more than one occasion, asked Mrs S if she would be willing to allow them to investigate this further, as they believed it was due to the charging point, but she just said she did not want the car anymore.

A misrepresentation is a false statement of fact which induces a person into entering a contract when they would have acted differently, had they known the truth. So, I've taken all of the above into consideration when deciding if there was a misrepresentation about the mileage Mrs S would achieve at the time of the car acquisition. However, taking everything into consideration, I do not think I have seen enough to be able to say, on balance, that Mrs S was told a false statement of fact regarding the achievable range of the car she acquired. I will explain this further, but first, I should explain that car economy/battery range figures are obtained by following prescribed test procedures and are provided by manufacturers as a comparison tool only. They are not necessarily setting out what the car will regularly achieve, and do not constitute a guarantee.

Mrs S said the car was sold to her with an advertised range of up to 318 miles. So, I understand that she expected to be achieving a mileage range greater than what she is currently achieving. But it is important to note that the full battery charge can fluctuate, and the driving range is impacted by lots of different factors, such as, for example, outside temperature or weather, city vs suburban vs motorway driving, driving style, use of certain car options/features, and the car's load (including how many people and/or items are in the car). So, the fact that on certain occasions the car may have reached lower ranges on a full

charge is not conclusive evidence that the car would have consistently achieved far below the advertised range, at least shortly after it was acquired.

When thinking specifically about whether the car was misrepresented to Mrs S, it is important to note that I was not present at the time of sale to hear everything discussed, so I need to make my decision on the balance of probabilities.

The dealership indicated that they provided Mrs S with the official data from the manufacturer regarding the mileage figures that the car should achieve. So, they said, they warned Mrs S that she might not get the full mileage figures quoted. I think this official data, most likely, contained similar information as I mentioned above regarding the various factors that can impact the achieved range on an electric car and, most likely, similar information to what can be found on the car's manufacturers website. In addition, the correspondence from the dealership to Mrs S after the sale said that during acquisition they told Mrs S the range she could achieve would be 250 miles, but that this will depend on her driving style and if she was to have the heating on, this would affect the range. The supplying dealership said they asked Mrs S if she was happy to go ahead on that basis and they said she was because she told them that she would only be using this car on the weekends, as her new job would be providing her with a company car for the working week.

On the other hand, Mrs S is adamant that she was told by the dealership that she could travel 280 miles in summer and about 240 miles in winter. However, I think considering that she is making a statement about the two different ranges at different times of the year this is evidence that there were some discussions regarding the range variations due to different factors. But, as I was not there, I do not know how exactly this information was presented to Mrs S and overall, I have not seen enough evidence to be able to say that, on balance, Mrs S was guaranteed that she would be able to travel 280 miles in summer and about 240 miles in winter. Overall, taking all the circumstances and available evidence into consideration, I have not seen enough to be able to say that the car, on balance, was misrepresented to her or sold not as described.

Based on the issues Mrs S has raised, especially the ones around the charging taking a long time, I have also considered whether there might be a fault with the car and whether this could be causing the problems Mrs S complains about.

The CRA covers agreements such as the one Mrs S entered into. Under the agreement there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered to be 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. I think in this case, those relevant circumstances include, but are not limited to, the age and mileage of the car and the cash price. 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 Mrs S's case the car was brand-new. So, I think a reasonable person would expect it to be of a higher quality than a cheaper and/or previously used car. I think it would also be reasonable to expect the car to last a considerable period of time before significant problems occur, and it would be reasonable to expect it to be free from even minor defects shortly after it was acquired.

Mrs S was of the belief that she should have been entitled to reject the car.

The CRA sets out that Mrs S has a short term right to reject the car within the first 30 days, if the car is of unsatisfactory quality, not fit for purpose, or not as described, and she would

need to ask for the rejection within that time. Mrs S would not be able to retrospectively exercise her short term right of rejection at a later date.

The CRA does say that Mrs S would be entitled to still return the car after the first 30 days, if the car acquired was not of satisfactory quality, not fit for purpose, or not as described, but she would not have the right to reject the car until she has exercised her right to a repair first – this is called the final right to reject. And this would be available to her if that repair had not been successful.

First, I considered if there was a fault with the car. I have considered that Mrs S thinks that there was a fault with the battery of the car charging way too long, but based on all of the above, and the evidence available in this case, I cannot say that most likely there was a fault present.

The supplying dealership offered to investigate the charging aspects of the car, but I cannot see that Mrs S took them up on that offer. Furthermore, Mrs S has not provided any other evidence that would be enough for me to say that, most likely, the car was faulty.

I want to assure Mrs S that I have carefully considered all her testimony and information that she has provided, but unfortunately what I've been given simply is not enough for me to say that, most likely, the car was faulty. Also, I've considered that there are many things that can affect how long the battery takes to charge and what range the car will achieve, and as I've not seen enough evidence to show that, most likely, the battery or its charging unit is not functioning correctly, I do not think it would be fair or reasonable for me to say that Mrs S should be able to exercise her right to reject the car. So, while I sympathise with the situation Mrs S finds herself in, I do not think TFS needs to take any further action in relation to this complaint.

I know that Mrs S has also mentioned that she feels the negative equity from her previous trade in car, that was rolled into the finance agreement in question, has not been properly and clearly disclosed or explained to her, either verbally or in writing, at the time she entered into the current hire purchase agreement. However, in this decision I can only look at the events that have been raised by Mrs S with TFS and the ones they were provided an opportunity to address in their December 2024 correspondence.

While I appreciate Mrs S's strength of feeling regarding her complaint, I do not think I've seen enough to say that there has been a breach of contract or misrepresentation. So, it is not fair or reasonable for me to require TFS to take any further action regarding Mrs S's complaint.

My provisional decision

For the reasons given above I intend to say that I do not uphold this complaint."

I asked both parties to provide me with any additional comments or information they would like me to consider by 15 September 2025.

TFS have responded and said they have no further information to provide.

Mrs S disagreed with my provisional decision and has responded with further comments.

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.

Following my provisional decision Mrs S raised several points, so I will address these here.

Mrs S said it was confusing and concerning as to why I have reached a different conclusion to our investigator's opinion. To clarify, when one party does not accept an investigator's opinion, they can ask for the case to be referred to an ombudsman. In this case, Mrs S and TFS disagreed with the investigator. So, the complaint was passed to me to decide. I looked at all the details of the complaint afresh. As part of this process I decided to issue a provisional decision which set out the reasoning behind the decision I was intending to make. This happened because, after reviewing the case passed on to me, I have decided to reach a different outcome from the initial findings and I have explained why I have done so in my provisional decision, copied above.

Mrs S also questioned why her request to return the car was refused, given that her agreement states the car can be returned within a set timeframe. And she said that it seemed that no-one from the dealership was available to accept the car unless it was faulty, so she believes this may not align with the correct process.

Mrs S also mentioned that on a weekend after 100% charge the car only had an average range of around 233 miles.

First, I should explain that her credit agreement states that she has a right to withdraw from the agreement itself within 14 days. However, her credit agreement explains that if she exercises this right to withdraw from the agreement, she will need to provide notice and she will be required to pay back the money that TFS have paid in relation to the agreement. This includes any finance deposit allowance or any other sums of allowances. The agreement also clarifies that exercising this right does not allow her to return the car, meaning she would still be liable for the car acquisition costs. As such Mrs S would need to find another way to pay for the car and I do not think, most likely, that this is what she was seeking.

In addition, as per my provisional decision, the CRA sets out that Mrs S has a short term right to reject the car within the first 30 days, if the car is of unsatisfactory quality, not fit for purpose, or not as described, and she would need to ask for the rejection within that time. Mrs S would not be able to retrospectively exercise her short term right of rejection at a later date. The CRA does say that Mrs S would be entitled to still return the car after the first 30 days, if the car acquired was not of satisfactory quality, not fit for purpose, or not as described, but she would not have the right to reject the car until she has exercised her right to a repair first – this is called the final right to reject. And this would be available to her if that repair had not been successful. However, as I concluded in my provisional decision, I do not think that, most likely, there was a fault present with the car. And when taking all the circumstances and available evidence into consideration, I have not seen enough to be able to say that the car, on balance, was misrepresented to her or sold not as described; for the reasons explained here and in my provisional decision, copied above.

Mrs S has also questioned what I have taken into account when reaching my provisional decision. I can confirm that I have taken everything that she and TFS have provided, this included copies of contact between the parties involved but, most importantly, I would like to assure Mrs S that I have taken into consideration what I deemed to be relevant to for me to be able to reach a fair and reasonable decision.

Mrs S has also said that she has concerns regarding the mileage and charging information, as it appears to be different from the figures provided on the government website. But after I requested further clarification, Mrs S has not provided details as to what she was referring

to, so based on the information available, I do not have enough evidence to be able to say that, most likely, there has been a breach of contract or misrepresentation.

Mrs S had concerns regarding certain figures on the invoice as, she said, these were different from the invoice she was provided earlier. She mentioned that this was in regards to amounts she paid for extras that were installed, plus the figures around the part exchange and deposit. But as I mentioned previously, in this decision I can only look at the events that have been raised by Mrs S with TFS and the ones they were provided an opportunity to address in their December 2024 correspondence.

As such, I've considered what Mrs S has said and provided, plus my provisional findings, and having done so, I see no reason to reach a different conclusion to what I have reached in my provisional decision (copied above).

My final decision

For the reasons I've explained above, and in my provisional decision, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 27 October 2025.

Mike Kozbial
Ombudsman