

The complaint

Mr K complains that a used car he acquired via a hire purchase agreement with V12 Retail Finance Limited wasn't of satisfactory quality. He also complains that the car was not sold as described in respect of a cherished plate that wasn't included when he purchased the vehicle.

What happened

In August 2024 Mr K saw an advertisement for a car that he was interested in. Mr K says that the car was shown with a cherished plate. He contacted the dealer and agreed to purchase the car via a 60-month hire purchase agreement with V12 Retail Finance.

On the day Mr K acquired the car, it had a different number plate attached. This registration number was also now showing in the car's advertisement as well as being included in the invoice for the car and the credit paperwork. Mr K says he spoke to the dealer who confirmed the car wasn't being supplied with the cherished plate and that Mr K would need to pay an additional amount if he wanted it. Mr K entered into the hire purchase agreement and acquired the car.

Mr K was unhappy at not receiving the cherished plate and also with the condition of the car and raised a number of issues with the dealer, in particular around a loose bumper, the batteries for the keys, doorhandle lights, wheel alignment and other electrical issues. He was unhappy with the dealer's handling of the issues and in September 2024 he complained to V12 Retail Finance.

V12 Retail Finance sent Mr K its final response letter to his complaint in October 2024. It said it was partially upholding his complaint. V12 Retail Finance didn't uphold Mr K's complaint about the cherished plate as it said the car's advert showed the registration number as provided to Mr K as did the finance documentation. It also said the dealer had confirmed that Mr K had been aware the cherished plate wasn't being supplied with the car but had still agreed to purchase it. However, V12 Retail Finance upheld Mr K's complaint about the issues he had reported to them in September 2024 as the dealer had agreed to take the car back to carry out repairs. These repairs were carried out in October.

Mr K remained unhappy about the cherished plate and the condition of the car, he raised further issues with the dealer. Mr K then made a complaint to this service as he wanted the issues with the car repaired. V12 Retail Finance said it wasn't aware that the repairs carried out in October had failed and asked for the car to be independently inspected.

The car was inspected in March 2025 and the engineer reported that the faults identified by Mr K to V12 Retail Finance had mostly been rectified, but they found issues with a missing rear offside seat folding switch and the need for further investigation and rectification of the remote opening function of the doors and the stop/start function which wasn't operative.

Mr K said he was unhappy that the independent engineer hadn't addressed the full list of issues he provided to them that he said he had found with the car.

Our investigator recommended that Mr K's complaint should be upheld. She said that the car had been found to have faults and in accordance with the Consumer Credit Act 2015 it wasn't of satisfactory quality. She said as there had already been one opportunity to repair it would be fair for Mr K to now be able to reject the car and for the agreement to be ended and his deposit reimbursed. Our investigator said that in addition V12 Retail Finance should compensate Mr K £250 for the distress and inconvenience caused by dealing with the faulty car.

Our investigator also explained to Mr K that, although he had raised additional faults with the car in his complaint to this service, as these hadn't first been raised with V12 Retail Finance they weren't taken into account by her when reaching her view.

V12 Retail Finance has agreed to accept our investigator's recommendations. Mr K says he thinks additional compensation would be fair as he remains unhappy about the service the dealer provided and about the issue with the cherished plate. He has asked that his complaint is passed to an ombudsman 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.

It's not disputed by V12 Retail Finance that the car acquired by Mr K has faults and its agreed to the hire purchase agreement being ended and the car returned. Mr K has asked that I review his complaint but in light of this agreement by V12 Retail Finance I'm only going to look at the issue of the cherished plate and the level of compensation which I consider would be fair here.

In regard to the cherished plate issue, I'm not upholding Mr K's complaint, and I will explain why below. I haven't seen any earlier advert about the car, but I accept the original advert showed the car with the cherished plate in place. However, before Mr K entered into the hire purchase agreement the advert was altered to show the registration plate that was supplied to Mr K. This registration number also appears on all of the paperwork, that is the invoice, SECCI and hire purchase agreement. I've also seen that the dealer has said Mr K was aware that the cherished plate was not being supplied with the car unless extra was paid but agreed to buy the car anyway.

While I appreciate Mr K has been frustrated that the dealer wanted an additional amount for the cherished plate I don't think this warrants compensation. This is because I think it's more likely than not that Mr K was aware that the cherished plate wasn't included in the cost of the car before he agreed to enter into the agreement since the registration number of the car is clearly shown in all the documentation. I think Mr K would have had an opportunity to decide whether or not he wanted to continue with acquiring the car when he knew the cherished plate wasn't included. I think he could have chosen not to proceed if that had been an important factor for him in buying the vehicle.

Mr K raised various issues with the car to the dealer and there was an agreement that the dealer would carry out repairs. I've seen that most of those faults were repaired, although recently Mr K has said that the bumper had come loose again. Mr K has also raised a number of problems with the car in his complaint to our service that he didn't raise with V12 Retail Finance. As our investigator has explained this service only has a remit to look at things that have been raised with the business first. And although Mr K had sent several emails to the dealer this isn't the same as raising them with the business. I also can't look at Mr K's complaint about the unsatisfactory service he received from the dealer as V12 Retail Finance isn't responsible for that.

Our investigator recommended £250 compensation for Mr K and I think that amount is fair in the circumstances. The issues with the car which he raised with V12 Retail Finance would have been frustrating and spoilt his driving experience, but they weren't ones which meant he couldn't use the car. Most of the issues Mr K had complained of to V12 Retail Finance were put right by the dealer in October 2024. So, I'm not going to ask V12 Retail Finance to increase the amount of compensation payable to Mr K.

For the reasons given above, I'm partially upholding Mr K's complaint.

Putting things right

I'm asking V12 Retail Finance to do the following:

- End the agreement with nothing further to pay.
- Collect the car at no cost to Mr K.
- Reimburse Mr K his deposit/part exchange contribution of £10,000 together with interest at the yearly rate of 8% simple from the date of payment until the date of settlement.
- Pay Mr K £250 compensation for the distress and inconvenience caused dealing with the faulty car.
- Remove any adverse information relating to this agreement from Mr K's credit file.

My final decision

As set out above, I'm partially upholding Mr K's complaint. I'm asking V12 Retail Finance Limited to do the following:

- End the agreement with nothing further to pay.
- Collect the car at no cost to Mr K.
- Reimburse Mr K his deposit/part exchange contribution of £10,000 together with interest at the yearly rate of 8% simple from the date of payment until the date of settlement.
- Pay Mr K £250 compensation for the distress and inconvenience caused dealing with the faulty car.
- Remove any adverse information relating to this agreement from Mr K's credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 8 December 2025.

Jocelyn Griffith
Ombudsman