

The complaint

Miss T complains about the misrepresentation of a car that was supplied through a conditional sale agreement with Volvo Car Financial Services UK Limited (VCFS).

What happened

In November 2023, Miss T acquired a used car through a conditional sale agreement with VCFS. The car was about four years and eight months old and had travelled 52,000 miles when it was supplied. The cash price of the car was £18,849. An advanced payment of £3,000 is listed, so the total amount financed on the agreement was £15,849 payable over 48 monthly repayments of £278.68 followed by a final repayment of £9,319.75.

Miss T complained that having been assured by the dealership that it came with a complete service history, shortly after supply, she began experiencing mechanical issues. During this period, she was provided with a courtesy vehicle. Although the dealership stated that a service had been completed in September 2023, Miss T later discovered—following an inspection by a manufacturer garage—that no service history was available for the vehicle.

In March 2025, VCFS issued their final response to Miss T's complaint which they upheld. In summary, it confirmed the dealership advised Miss T via email that the car would be supplied with a full-service history, however this wasn't the case. It confirmed services were carried out at the following dates:

December 2020, March 2022, February 2023 and September 2023

To resolve matters, VCFS offered Miss T £200 compensation in recognition of their error.

Unhappy with their decision, Miss T brought her complaint to our service where it was passed to one of our Investigators to look into.

Miss T believes she was misled regarding the car's maintenance record, which she considers a breach of her consumer rights. She said the situation has caused her psychological distress and uncertainty. To resolve things Miss T wishes to return the vehicle or have an increase to the £200 compensation previously offered.

Our Investigator recommended that Miss T's complaint should be upheld. The Investigator concluded that the car was misrepresented to Miss T because she was advised it came with a full-service history which it hadn't. The Investigator recommended that VCFS should facilitate a rejection of the car and to refund to Miss T her deposit and pay her £200 in compensation for the distress and inconvenience caused.

VCFS didn't accept the Investigator's view and advised the servicing intervals for Miss T's model of vehicle was 24 months up to 18,000 miles, which meant the car did have a full-service history.

The Investigator's view didn't change as he considered there wasn't sufficient evidence to demonstrate the servicing was completed in line with the recommendations. In light of this, VCFS asked that the complaint be referred to an ombudsman for a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Miss T complains about a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Miss T's complaint about VCFS.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "*the quality of the goods is satisfactory, fit for purpose and as described*". To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances.

Miss T told us that she believes the car was mis sold to her because it was presented as having a full-service history which led them to enter the agreement. VCFS have confirmed that Miss T was given this information by the dealership. So, I don't consider that there is any dispute that Miss T was told this.

Miss T feels she was misled into acquiring the car, because she believed it came with a full-service history. So, I've considered whether B had misrepresented the vehicle to her.

I would consider a misrepresentation to have taken place if Miss T was told a false statement of fact, that induced her into acquiring the car when she otherwise would not have.

VCFS have provided email confirmation from the dealership that the servicing schedule for Miss T's model of vehicle is every two years and within 18,000 miles. This typically means that the car should be service at which ever point comes sooner. The Investigator requested that VCFS provide a manual or supporting evidence for the servicing schedule. However, they've not provided anything in addition to what they've already provided.

In the circumstances I think it's reasonable to expect that VCFS should be able to provide official guidance or recommendations of what the servicing schedule should be for the model of vehicle Miss T acquired. For example, through a copy of the relevant manual. So, although I don't necessarily doubt what they've said, I'm aware that I haven't been provided with published evidence of what the servicing schedule is for the vehicle Miss T acquired.

In their final response VCFS have confirmed the services carried out prior to Miss T acquiring the car.

As the car was registered in March 2019, I've considered that this falls within every two years as advised by the dealership. However, even if this was the official guidance, the information doesn't state what the mileage was at each service point. The car was supplied with a mileage of around 52,000. So, there's every chance the mileage could have increased in excess of 18,000 in between one of the service intervals, which would mean the service was not carried out as per the guidance. Despite the Investigator requesting this information from VCFS, they've not provided it.

So, having considered the evidence provided, I'm not satisfied the vehicle was supplied with a full-service history as I don't have the evidence to confirm this was the case.

As I've considered that the car didn't come with a full-service history, I'm satisfied Miss T was given a false statement of fact, that the car would be supplied with a full-service history, and I think it's likely this would have induced her into acquiring the vehicle. The car was nearly five years old and had travelled around 52,000 miles, so I think the service history would be a key factor in her decision to acquire it. Because it's likely the maintenance of it would be a consideration for Miss T given its age and mileage.

Miss T explained that the mechanical issues with her car brought rise to her complaint about it being misrepresented to her. I've not considered the quality of the car or whether the service history is linked to the issues she said she's experienced with it. However, I do think it's reasonable that this would prompt Miss T to enquire about the maintenance of the car prior to it being supplied to her.

Putting things right

As I've considered the car was mis represented to Miss T, VCFS will need to put things right for her. Miss T has asked to reject the car. Given it was not as described, under the CRA Miss T is able to reject it.

I'll be instructing VCFS to take the car back at no additional cost to Miss T and to refund her deposit. They should also pay her some compensation for the distress and inconvenience caused, and I'm satisfied that £200 is fair in all the circumstances.

My final decision

Having thought about everything above along with what is fair and reasonable in the circumstances I uphold this complaint and instruct Volvo Car Financial Services UK Limited to:

- collect the car at no additional cost to Miss T
- end the agreement entered and remove it from Miss T's credit file
- refund the deposit Miss T paid (if any part of this deposit is made up of funds paid through a dealer contribution, Volvo Car Financial Services UK Limited is entitled to retain that proportion of the deposit)
- pay Miss T £200 in compensation for the distress and inconvenience caused
- remove any adverse information that may have been recorded with the credit reference agencies in respect of the damage.

Volvo Car Financial Services UK Limited should pay 8% yearly simple interest on all refunds calculated from the date of payment to the date of settlement.

If Volvo Car Financial Services UK Limited considers that it's required by HM Revenue & Customs to withhold income tax from the interest part of my award, it should tell Miss T how much it's taken off. It should also give Miss T a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 8 December 2025.

Benjamin John

Ombudsman