

The complaint

Mr B complains about the quality of a car that was supplied through a conditional sale agreement with Hyundai Capital UK Limited trading as Hyundai Finance (Hyundai).

What happened

In November 2023, Mr B acquired a new car through a conditional sale agreement with Hyundai. The cash price of the car was £45,474. An advanced payment of £5,000 is listed, so the total amount financed on the agreement was £40,474 payable over 37 months. Mr B was due to make an initial payment of 437.60, followed by 35 repayments of £437.67, followed by a final repayment of £24,717.95.

Mr B complained that within the first year of ownership, the vehicle was subject to multiple manufacturer recalls. The first recall was issued in March 2024, but Mr B did not receive notification until May 2024, which he believes is beyond an allowable six months' timeframe. In addition to the recall, Mr B reported charging issues when the vehicle was plugged into a 300kw charger.

Mr B says he's had to take four days off work to attend service appointments and has experienced distress during long journeys with his children due to the unreliable charging of the vehicle. The dealership had scheduled further repairs and confirmed another recall is pending. Mr B remains concerned about the vehicle's reliability and the potential for ongoing inconvenience and financial impact.

In April 2025, Hyundai issued their final response to Mr B's complaint which it upheld. In summary, it confirmed an independent inspection of the vehicle was arranged by them, which concluded that there was an issue with the vehicle using a 300kw charger and a fault code for EVSE failure; the report recommended the vehicle be returned to the dealership for consideration.

It advised they would arrange for the repairs to be carried out by the dealership, and pay Mr B £250 in compensation for the distress and inconvenience caused.

Unhappy with their decision, Mr B brought his complaint to our service where it was passed to one of our Investigators to look into.

Mr B said despite the findings of the independent report, the vehicle was not replaced. He considers the £250 compensation as inadequate given the disruption caused. In his complaint form Mr B said his preferred outcomes include:

- An extended warranty and financial support if the vehicle is successfully repaired.
- A replacement vehicle or appropriate financial compensation beyond the £250 already offered, should the issues persist.

In September 2025, our Investigator issued their view of the complaint and recommended that it should not be upheld. In summary, the Investigator concluded that the car wasn't of

satisfactory quality when it was supplied, but that Hyundai had fairly resolved matters, by repairing the issue and compensating Mr B for additional charging costs and for the distress and inconvenience.

Mr B didn't accept the Investigator's view and asked that his complaint be referred to an Ombudsman for a final decision. In his response Mr B said that he should have been able to reject the vehicle, the number of recalls on his vehicle has been too many, he hasn't been given evidence that the repairs are permanent, and the compensation was inadequate to account for his financial loss and inconvenience.

Mr B specifically asked that the ombudsman consider:

- Whether Hyundai fulfilled their obligations under the Consumer Rights Act 2015
- The extent to which repeated recalls and repair delays undermined the vehicle's quality
- Whether a higher level of compensation is fair and reasonable in view of the significant inconvenience, distress, and practical impact on his family.

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.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr B complains about a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr B's complaint about Hyundai. Hyundai is also the supplier of the goods under this agreement, and is responsible for a complaint about their quality.

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.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

Mr B acquired a brand-new vehicle, with a cash price of around £45,000. So, I think it's fair to say that a reasonable person would expect the level of quality to be higher than a second hand, more road-worn car and that it could be used – free from defects – for a considerable period of time.

From the information provided I'm satisfied there was a fault with the car. This is confirmed in the independent inspection report which advised the car was not charging on the 300kw charger and that a fault code existed.

In this instance however, it's not disputed there was a problem with the vehicle, nor that this fault was present when the car was supplied to Mr B. Hyundai have confirmed in their file submission that the dealership was unable to find the fault earlier and that it had the right to repair it. As such, given the vehicle was acquired brand new and had covered less than 9,000 miles at the point of the independent inspection, I'm satisfied the vehicle wasn't of satisfactory quality when it was supplied to Mr B, so I don't need to consider the merits of this issue within my decision. Instead, given the issues Mr B has experienced, I'll focus on what I think Hyundai should do to put things right.

In addition, Mr B specifically asked that the final decision consider the following points:

- Whether Hyundai fulfilled their obligations under the Consumer Rights Act 2015
- The extent to which repeated recalls and repair delays undermined the vehicle's quality
- Whether a higher level of compensation is fair and reasonable in view of the significant inconvenience, distress, and practical impact on his family

I'm satisfied that addressing these points will also allow me to consider what Hyundai should reasonably, if anything, do to put things right for Mr B.

Under the CRA, Hyundai has a right to repair the fault reported because it was brought to their attention more than 30 days after the vehicle was supplied to Mr B. Hyundai have provided invoices to show the repair took place in May 2025. I acknowledge what Mr B said about not having any assurances or evidence that the repair is permanent, and I can appreciate given his experiences why he may not have full confidence in it. However, I've no evidence to suggest the repairs have been unsuccessful and so in the circumstances I'm satisfied Hyundai have acted fairly under what is expected from them under the CRA.

Mr B has said that the repeated recalls have undermined the quality and confidence he has in the vehicle. Whilst I don't doubt this is the case, when a recall notice is issued on a vehicle it's not a confirmation that a fault exists with the particular vehicle, rather a measure taken by the relevant authority to ensure it complies with the general safety requirement.

The General Product Safety Regulations 2005 (GPSR) is relevant in this case, it provides a framework to ensure consumers are protected from unsafe products and sets out responsibilities for suppliers of cars.

Having considered the circumstances of this complaint, I don't consider that the recalls are evidence that the vehicle was of unsatisfactory quality. So, in relation to this element of Mr B's complaint I don't consider that Hyundai have acted unfairly.

Having considered the problems Mr B has experienced with his vehicle I do think it's reasonable that some compensation is paid to him in recognition of it. Hyundai have arranged a payment of £250. I think this amount is fair in all the circumstances to acknowledge that Mr B had experienced some inconvenience as a result of being supplied a vehicle that wasn't of satisfactory quality.

I don't think it's reasonable to hold them liable for product safety recalls, as this is something that would be outside of their control, given it's a relevant authority that decides whether a recall notice should be issued. However, in relation to the fault, which was identified during

the independent inspection, I'm satisfied the issue was resolved in a reasonable timeframe and that it was resolved successfully.

Mr B explained about lost workdays, additional travel costs and the impact on his family. Hyundai advised a courtesy vehicle would be provided if the work couldn't be resolved within a day, so Mr B would have been kept mobile, and I don't think it's reasonable for Hyundai to be held responsible for the unfortunate situations Mr B may have found himself in, following the issues with the vehicle, as they couldn't have reasonably had any foresight of it.

Once they were made aware of the issue, Hyundai had a responsibility under the CRA to ensure it was put right. And in the circumstances of this complaint, for the reasons given above, I'm satisfied that they've done so. It follows that I won't be asking Hyundai to take any further action in relation to this complaint.

My final decision

My final decision is that I don't uphold Mr B's complaint about Hyundai Capital UK Limited trading as Hyundai Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 December 2025.

Benjamin John
Ombudsman