

The complaint

Mr K complains that a car that was supplied to him under a hire agreement with Volkswagen Financial Services (UK) Limited wasn't of satisfactory quality and about other issues, including the service that he's received.

What happened

A new car was supplied to Mr K under a hire agreement with Volkswagen Financial Services that he signed in June 2024. The duration of the hiring period was 36 months, Mr K paid an advance rental of £1,899.43 and agreed to make 35 monthly rental payments of £316.57 to Volkswagen Financial Services. Mr K complained to Volkswagen Financial Services in May 2025 that the car had lost power and stopped while driving in November 2024 and January and March 2025.

Volkswagen Financial Services didn't provide a substantive response to his complaint so Mr K complained to this service in July 2025 about the recurring safety fault, an inadequate investigation by a manufacturer's dealer, being passed around, undisclosed bodywork repairs, and his unresolved complaint and poor communication. Volkswagen Financial Services sent its final response to Mr K in August 2025 and said that no faults or manufacturing defects had been confirmed so it was unable to proceed with his complaint. It said that, if a fault was confirmed, it would be happy to review his complaint but it had no reason to believe that the car doesn't perform as it should or is unsafe to drive.

Mr K'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. She said that there was insufficient evidence to confirm that a fault was present either at the point of supply or that it developed since and she wasn't persuaded that the car wasn't of satisfactory quality at the point it was supplied in respect of the loss of power fault.

Mr K didn't accept the investigator's recommendation and has requested that his complaint is escalated to an ombudsman for a decision. He has provided detailed responses to the investigator's recommendation, including a summary of the following key points that he asks the ombudsman to consider: undeclared paintwork repairs; the loss of power and safety risk; and his ignored calls and poor complaint handling.

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.

Volkswagen Financial Services, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr K. 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 Mr K was a new car and I consider that it was reasonable for him to expect that it would be free from even minor defects.

Mr K complained to Volkswagen Financial Services in May 2025 that the car had randomly lost power and stopped while driving in November 2024 and January and March 2025, including once on the motorway and once while his wife was driving off a junction. He says that each time he reported the issue but no clear resolution has been provided.

The car was inspected by a manufacturer's dealer in May 2025, before Mr K complained to Volkswagen Financial Services. The invoice says: *"Carried out investigation into vehicle cutting out & infotainment fault – Unable to confirm faults. No relevant fault codes stored in GFF. Road tested, all ok. Software all up to date"*.

Mr K says that the fault occurs on motorway journeys but Volkswagen Financial Services relied on a short inspection which didn't replicate those conditions and refused further testing which has left him with a car that is unsafe and which he's unwilling to drive at motorway speeds. If Mr K wasn't satisfied with the inspection carried out by the manufacturer's dealer, I consider that it would be reasonable to expect him to have arranged for the car to be inspected by another garage or similar.

The investigator said that there was no breakdown report, independent inspection report or diagnostic evidence to support the issue that Mr K had described and, although Mr K has asked for his complaint to be considered by an ombudsman and has provided detailed responses to the investigator's recommendation, he hasn't provided any further evidence to show that there's a fault with the car.

I appreciate that the incidents that he's described will have been distressing for him and his wife and that they have concerns about using the car, but without some evidence to support what he's said, I can't uphold his complaint. I'm not persuaded that there's enough evidence to show that there's a fault with the car or that the car wasn't of satisfactory quality when it was supplied to Mr K.

The manufacturer's dealer's inspection of the car in May 2025 included a recorded complimentary visual health check. The inspector said: *"I've noticed a bit of paintwork that's been done on the back end of the car ..."*. Mr K says that a car sold as brand new shouldn't have undisclosed repairs so there's been a misrepresentation which undermines both the value and the Consumer Rights Act protections.

The complaint that Mr K made to Volkswagen Financial Services in May 2025 didn't include a complaint about a paintwork repair so it hasn't had an opportunity to investigate and consider that issue and I'm unable to make any finding on that issue in this decision. If Mr K wants to complain about that issue he should first complain to Volkswagen Financial Services about it and then, if he's not satisfied with its response, he may be able to make a separate complaint to this service about that issue. Without making any finding, I note that

the car was supplied to him in June 2024 and he says that he wasn't aware of a paintwork repair until it was identified during the May 2025 inspection, nearly a year later.

Mr K says that he made numerous calls to Volkswagen Financial Services with records available as proof, but received little to no follow-up and his concerns were either ignored or brushed off, forcing him to repeatedly chase updates which added to the distress and shows a failure in customer service and duty of care. Complaint handling isn't a regulated activity so the rules under which this service operates don't allow me to make any finding about how a business has handled a complaint. I can appreciate that his concerns being ignored and Volkswagen Financial Services' delay in providing a substantive response to his complaint will have added to the distress that Mr K was feeling, but I'm unable to make any finding on those issues.

I've carefully considered all that Mr K has said and provided about his complaint and I appreciate that my decision will be disappointing for him. Mr K said in his complaint to Volkswagen Financial Services that he wanted a replacement car or compensation for the significant inconvenience, stress, and safety risks that he's faced or termination of the hire agreement with a full refund, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Volkswagen Financial Services to take any action in response to his complaint.

My final decision

My decision is that I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 18 November 2025.

Jarrold Hastings
Ombudsman