

## The complaint

Miss H complains about a car supplied under a hire purchase agreement, provided by RCI Financial Services Limited trading as Nissan Financial Services ('RCI').

## What happened

Around December 2023 Miss H acquired a used car under a hire purchase agreement with RCI. The car is listed with a cash price of £17,457, was around three years old and had covered around 21,495 miles. Miss H paid a deposit of £1,677.

Unfortunately, Miss H says the car developed issues. She said there were problems with the airbags and 'screen monitor'. She then said the car juddered and had issues starting. Miss H said a battery had been replaced in March 2024, but this hadn't resolved the issues. Miss H said she wanted to reject the car.

In October 2024 Miss H complained to RCI.

In December 2024 RCI wrote to Miss H and explained it was still investigating the complaint. It said she could now refer the case to our service.

RCI then sent a final response to the complaint in January 2025. This explained it had contacted the dealer, who explained the car passed an MOT in November 2024 with no advisories. It said the dealer had a discussion with Miss H to get a diagnostic, but this hadn't been booked in. RCI explained to consider rejecting the car, it would need to see evidence of current issues with it.

Miss H remained unhappy and referred the complaint to our service. She explained she still wanted to reject the car and described the impact of the situation on her mental health. Miss H also said she never received the V5 document, which caused issues with taxing and insuring the car.

Miss H then sent a diagnostic from March 2025 that showed various fault codes.

Our investigator issued a view and upheld the complaint. In summary, they said they didn't think Miss H should be responsible for the cost of the replacement battery from March 2024. Our investigator said she thought the diagnostic from March 2025 showed there were still issues with the car. She said she thought Miss H should be able to reject the car, be reimbursed for the repair from March 2024, and be paid £300 to reflect the distress caused.

RCI responded and said Miss H had informed it that the car had been involved in an accident in January 2024. It explained Miss H had told it she didn't have the car inspected at the time and didn't claim on her insurance.

Our investigator asked Miss H for more information about this. She said the "*car was just shaking and went to the curb it just burst the tire*".

Our investigator explained to RCI that this didn't affect her opinion on the case, as Miss H

said it was only the tyre that needed to be replaced.

RCI then sent details it had been provided by the garage that had performed the diagnostic in March 2025. This said, in summary, that further investigation was needed into the fault codes and that Miss H had declined this at the time.

RCI said it believed the fault codes might have been caused by the accident Miss H said she had. And it explained it had been attempting to get Miss H to take the car to the supplying dealer to be looked at.

Our investigator explained that having considered things, she still thought the complaint should be upheld.

RCI responded and said it didn't agree. It said, in summary, that fault codes alone do not show evidence of an actual fault with the car, nor that this was due to a defect. It said there was no evidence the car was faulty. And it said the juddering issues could have been caused by the accident.

As RCI remained unhappy, the complaint was passed to me to decide.

I sent Miss H and RCI a provisional decision on 1 October 2025. My findings from this decision were as follows:

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so, I think this complaint should be upheld in part. I'll explain why.*

*When considering what's fair and reasonable, I take into account relevant law, guidance and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the supplier – RCI here – needed to make sure the goods were of 'satisfactory quality'.*

*Satisfactory quality is what a reasonable person would expect, taking into account any relevant factors. I'm satisfied a court would consider relevant factors, amongst others, to include the car's age, price, mileage and description. The CRA also states that durability of goods can be considered as part of satisfactory quality.*

*So, in this case I'll consider that the car was used and cost around £17,500. It had also covered around 21,500 miles. This means I think a reasonable person would not have the same expectations as for a newer, less road worn model. But, I still think they would expect it to be in good condition, be free from anything other than minor defects and would expect trouble free motoring for some time.*

*What I need to consider in this case is whether I think Miss H's car was of satisfactory quality or not.*

*Having reviewed things, I think it's likely Miss H's car had a fault with it around March 2024. I say this as I've seen an invoice from 19 March 2024 where the mileage was noted as 21,853. This stated:*

*"Carry out repair : - carry out ecm & tcu update"*

*Another invoice from the same day states:*

*“Carry out battery check. Replace battery and test”*

*There is no other testimony on these documents around why a software update and new battery was required. But I have seen some later emails from the manufacturer to RCI mentioning a judder at the time.*

*I think given this was only around three months after Miss H got the car, and it had only covered around 350 miles, a reasonable person would not expect the car to need a new battery at this point. It follows I find the car was not durable and so not of satisfactory quality when supplied.*

*A repair was a remedy available to Miss H under the CRA at this time. I’ve seen some communications about the car from the manufacturer to RCI from February 2025. This explained that following the repair:*

*“further testing indicated that the vehicle was ultimately fault-free”*

*I find the repair was likely successful. So, in broad terms, this means Miss H’s rights were met. But, while it appears the software update was done under warranty, I’ve seen information showing Miss H paid for the battery. I don’t think it’s reasonable she is at a loss here, so I find RCI should reimburse her the cost of the repair. Miss H should note if she did pay for the software update, she should let me know and provide evidence in response to this decision.*

*I have considered whether the accident Miss H had could’ve caused this issue. There is little to no evidence about what happened at the time. But, based on the very limited information I do have, I haven’t seen enough to persuade me it’s most likely an accident took place that could’ve caused the car to need a replacement battery. So, this doesn’t change my opinion.*

*Miss H has explained the car still had issues with juddering and not starting. So, I’ve considered the later evidence.*

*I’ve seen a “VEHICLE DIAGNOSTIC REPORT” dated 13 March 2025. The mileage is noted as 22,294. This lists various fault codes, some historic and some current.*

*I’ve also noted the follow up response that the garage provided to RCI. This said:*

*“A quick diagnostic was carried out”*

*“Multiple fault codes were identified, covering several systems of the vehicle, including the engine control unit (ECU), transmission, and potentially other electrical components”*

*“Some of the fault codes suggest sensor malfunctions, possible communication errors and other system-related issues that could affect vehicle performance”*

*“After being advised of the multiple fault codes detected and the need for further investigation, the customer has declined additional diagnostic services at this time”*

*I’ve thought very carefully about this. But I disagree with our investigator’s conclusions here. While I don’t doubt Miss H’s car was showing fault codes on the diagnostic, there is no further testimony or evidence about what this means or what issues, if any, Miss H’s car had.*

*I’ve considered the specific faults Miss H mentions – that the car juddered and wouldn’t start. I think this should’ve been simple for the garage to note if this was the case – but this isn’t recorded. And I might have expected to see some other evidence between the repair in*

*March 2024 and the diagnostic in March 2025 if the car displayed the problems Miss H mentions.*

*So, while I've had in mind the car showed fault codes, this isn't enough to persuade me it had the actual issues Miss H said it did.*

*It's worth pointing out here that even if I thought differently about the above diagnostic, I would still unlikely uphold the complaint. I say this as the diagnostic is from well over a year after Miss H acquired the car. Even considering the very low mileage, under the circumstances of this case I'm not convinced this would show any fault was either present or developing at the point of supply, nor that the car wasn't durable, given 15 months had passed since Miss H acquired it.*

*I've then considered what Miss H said about the airbags and screen. But, in summary, I don't have evidence to show these faults nor that they meant the car was of unsatisfactory quality when supplied.*

*I have noted Miss H said she didn't receive a V5 for the car. There's little evidence to say what happened here. But, either way, she would need to resolve this with the DVLA.*

### **Summary and putting things right:**

*In summary, I find the car was of unsatisfactory quality due to the battery replacement. But I haven't seen enough evidence to persuade me the car has the ongoing problems Miss H mentions nor that this meant the car was not of satisfactory quality when supplied.*

*I have considered whether any amount should be paid for impaired use of the car in relation to the March 2024 repair, but I don't have enough evidence to show how any issue affected the car at the time. So, I don't think RCI needs to do anything further on this point.*

*I do think Miss H has been caused distress and inconvenience here. I think it must have been upsetting for the car to need a repair when it did, and she's had to take time out to arrange this. But, when thinking about a figure here, it's important to note I'm only making an award in relation to the specific point I have upheld the complaint on. So, I think a lower amount of compensation is due than that recommended by our investigator. I find it would be reasonable for RCI to pay Miss H £100 to reflect what happened.*

*I want to reassure Miss H that I've carefully considered everything else she said in relation to the complaint. And I was sorry to read about what a difficult time she's been having. But, this doesn't change my opinion.*

*I gave both parties two weeks to come back with any further comments or evidence.*

*RCI accepted the decision.*

*Miss H was very upset with the outcome I reached. In summary, she gave our service details about her health and the impact the situation had on her and her 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.*

*I want to reassure Miss H that I've carefully considered what she said in response to my provisional decision. I was sorry to read about what a difficult time she's been having. And I*

don't doubt the impact this situation has had on her.

Having thought about everything again, along with what Miss H recently told our service, I still think what I explained in my provisional decision and set out above is fair and reasonable under the circumstances of this complaint.

### **My final decision**

My final decision is that I uphold this complaint. I instruct RCI Financial Services Limited trading as Nissan Financial Services to put things right by doing the following:

- Reimburse Miss H £237 for the cost of the battery replacement from 19 March 2024\*
- Pay Miss H £100 to reflect the distress and inconvenience caused

\*This amount should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If RCI considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Miss H how much it's taken off. It should also give Miss H a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue and Customs if appropriate

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 5 December 2025.

John Bower  
**Ombudsman**