

## **The complaint**

Mr A complains about the quality of a car he has been financing through an agreement with Creation Consumer Finance Ltd trading as Creation.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A took receipt of a new car at the end of October 2024. He financed the deal through a hire purchase agreement with Creation.

He complained to them in February 2025. He said he wasn't getting the expected range from the electric vehicle and that the key fob wasn't working properly as the batteries needed changing about every 30 days.

Mr A referred his complaint to this service. Our investigator wasn't persuaded the range of the car had been misrepresented to Mr A, but he did think there was a problem with the key fob that the dealership had been unable to resolve. He suggested Creation should allow Mr A to reject the car.

Creation disagreed. They said there was no evidence that the key fob was faulty as there was no way to identify how frequently it had been used. They asked for a decision by an ombudsman.

## **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 agree with the investigator's view of this complaint and for broadly the same reasons. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

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 A acquired his car under a regulated consumer credit agreement. This means our service is able to consider complaints about it. Under the Consumer Rights Act (2015), the car must have been of satisfactory quality when supplied. The legislation requires us to assess whether the car's condition at the time of supply met reasonable expectations for a vehicle of that age, mileage, and price. The car was brand new so I don't think a reasonable person would expect any faults to be present.

I'm satisfied there is a fault with the key fob that the dealership has been unable to resolve. Mr A raised the issue within a month of receiving the car and provided evidence of repeatedly buying replacement batteries. It's not normal for key fob batteries to drain after only 30 days, so I'm persuaded there is a fault.

On balance, the fault appears to be with the vehicle rather than the fob or how it's stored. The dealership suggested the keys might be kept too close to the car, causing repeated signals and battery drain. However, Mr A owns another electric vehicle that would likely be affected in the same way if that were the cause. He was also warned about this previously and had the chance to act.

The fob itself has been replaced, making it unlikely to be the source of the problem. Overall, it seems more likely than not that the fault lies on the vehicle side.

As the problem was reported so quickly, I think the onus was on the business and not Mr A to demonstrate the fault was not present when the car was supplied or in this case that the fault is one of Mr A's making. I don't think they've been able to do that, and they've not been able to rectify the problem. In those circumstances they should now allow Mr A to reject the car.

Mr A also argues the car was misrepresented because it failed to achieve the advertised range. However, based on the dealership's evidence, I'm not persuaded that any incorrect information was provided. The range achieved appears to fall within normal expectations. In any event, I don't need to explore this further because my finding—that the car was not supplied in satisfactory condition—leads to an outcome that is effectively the same as if I had upheld the misrepresentation claim.

### **Putting things right**

Creation should collect the car at no cost to Mr A, and they should end the finance agreement.

Mr A has been able to drive the car and although it was at the dealership for a few days, he was provided with a similar courtesy car, and I don't therefore think any finance instalments should be refunded for loss of use.

Mr A has been inconvenienced by these issues. He's had to take the car back to the dealership on several occasions and has had to refer his complaint to this service when I think it could have been resolved earlier. In those circumstances Creation should pay him £250 compensation for the distress and inconvenience he's experienced.

### **My final decision**

For the reasons I've given above, I uphold this complaint and tell Creation Consumer Finance Ltd to

- end the finance agreement ensuring the customer is not liable for monthly rentals after the point of collection (it should refund them any overpayment for these if applicable);
- take the car back (if that has not been done already) without charging for collection;
- pay 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement;
- pay a further amount of £250 for any distress or inconvenience that's been caused due to the faulty goods;

- remove any adverse information from the customer's credit file in relation to the agreement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 December 2025.

Phillip McMahon  
**Ombudsman**