

The complaint

Ms O complains that a car she acquired with finance from Hyundai Capital UK Limited ('Hyundai') wasn't of satisfactory quality.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Ms O entered into a personal contract plan with Hyundai in April 2025 for a brand-new car. Soon after acquiring the car Ms O complained to Hyundai, she said the car was a different specification to the model she ordered.

Hyundai considered things and agreed to support rejection of the vehicle. Amongst other things it ended the agreement and collected the car. It agreed to refund the deposit but made a deduction of £150.00 to reflect fair use. It also offered £100.00 for the distress and inconvenience suffered.

Ms O referred her complaint to this Service. Our Investigator looked into things and didn't recommend Hyundai needed to do more to put things right. In short, she said it was fair to retain £150 of the deposit to reflect fair use and also took into account that Ms O had been compensated for the distress and inconvenience suffered. Ms O remained unhappy.

As an agreement couldn't be reached the complaint has been passed to me to decide.

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.

Having done so, I've reached the same overall conclusions as our Investigator and for broadly the same reasons. I know this will come as a disappointment to Ms O, but I will explain my reasons below.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes informally.

Hyundai has already accepted a rejection of the car, so I won't be making a finding on whether the car was of satisfactory quality. Instead, I'll focus on whether Hyundai has done enough to put things right for Ms O.

When a car is rejected, it's generally the case that the deposit and all or some of the monthly payments are refunded, depending on whether the consumer has been able to use the car. If the consumer has been able to use the car, then a deduction for usage is normally made. If a courtesy car is provided, this is also taken into account when looking at whether a refund of monthly payments should be made.

I understand Ms O doesn't think what Hyundai has offered is fair and I've thought about this

but I'm afraid I don't agree.

The CRA says a deduction can be made from the refund to take account of the use the consumer has had of the goods in the period since they were delivered. It doesn't set out how to calculate fair usage and there's no exact formula for me to use. Ms O had some use of the vehicle and it's only fair she pays for that use. Overall, I think Hyundai can retain part of the deposit in recognition of the use Ms O has had.

I've also thought about the compensation offered for the distress and inconvenience and I think the amount of £100 is fair under the circumstances of this complaint. So, for the reasons I've explained I won't be upholding the complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 8 January 2026.

Rajvinder Pnaiser
Ombudsman