

The complaint

Miss N complains that a car supplied to her under a conditional sale agreement with Santander Consumer (UK) Plc is of unsatisfactory quality.

What happened

In March 2025, Miss N entered into a conditional sale agreement with Santander Consumer (UK) Plc (SC) to purchase a brand-new car. The cash price of the car was £18,440.00. The total amount repayable on the agreement was £23,065.50. This was payable by 48 monthly repayments of £290.50 with a final repayment of £9,121.50.

Miss N explained that very soon after acquiring the vehicle, she'd encountered issues with the carplay feature, connecting through Bluetooth and an issue the battery performance. As Miss N had encountered these faults within the first 30 days of her agreement, she requested to reject the vehicle. The dealership wanted to inspect the vehicle; however, Miss N cancelled this appointment as she was clear she wanted to reject it. Miss N complained about the situation to SC. An inspection was arranged with an independent car inspector.

The inspector explained that there was a fault with the vehicle that was likely present or developing at the point of sale. SC then provided its final response to the complaint, in which it did not uphold it. SC explained that as the appointment to take the car to the dealership had been cancelled an investigation couldn't take place.

Miss N was unhappy with this and brought her complaint to this service where it was passed to one of our investigators. The investigator upheld the complaint. The investigator explained that a fault was confirmed on a brand-new car and Miss N had attempted to use her short-term right to reject, which should have been allowed. SC disagreed with this and provided some comments from the dealership. Because an agreement wasn't reached, I've been asked to review the complaint to make a final decision.

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'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.

Miss N acquired a car under a conditional sale agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Miss N's complaint about SC. SC is also the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply of the car and its 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.

In this case, Miss N acquired a car that was brand-new. As this was a brand-new car, it's reasonable to expect the level of quality to be higher than a used, more road-worn car. It would be reasonable to suggest Miss N would expect to be able to use this free from defects for a considerable period of time.

I've reviewed the available evidence about the issues Miss N experienced with the car. Based on what I've seen, I'm satisfied that there was a fault with the car. I say this because I've seen an independent report carried out on the vehicle that confirms there is a fault with connecting to the carplay system. Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply.

I can see the dealership involved are unhappy that they haven't had the opportunity to inspect the vehicle to determine what the faults are. I appreciate their comments, however, there has been an independent report stating that there is a fault with the vehicle. Both Miss N and the inspector encountered the fault with not being able to connect to the carplay system and have not been able to work around it connected wirelessly, or with a wired connection.

Miss N also states there is an issue with the battery and range of the vehicle. The inspector commented in the report that they carried out a 2-mile road test, during which the range left dropped by 14 miles and two percent charge. The inspector considered that this was not displaying a fault. Real world range and usage can vary depending on driving conditions, although if the road test was carried out over a longer period, it seems possible that the range could have continued to drop beyond expectations based on the information available.

Regardless of this, Miss N encountered a fault with the carplay system on a brand-new car that was replicated by an independent inspector. Because of the fault, Miss N wanted to assert her short-term right to reject as laid out by the CRA.

I'm satisfied that due to the information considered and explained above, the car was of unsatisfactory quality when it was supplied, and Miss N was within her rights to ask to reject the vehicle. The system that failed was important to Miss N in the operation of her vehicle and her actions taken in not using the vehicle after asking to reject it support this. I consider that a reasonable person could expect this system to be functioning on a brand-new car for significantly longer than it did.

Putting things right

As I've concluded that the car was not of satisfactory quality when it was supplied, I think it's reasonable SC should put things right. I'm persuaded a fair outcome here is for the vehicle to be rejected in line with Miss N attempting to use her short-term right to reject when she did.

So, SC should end the agreement with nothing further to pay in relation to the monthly payments and arrange to collect the vehicle at no cost to Miss N.

Initially the investigator thought it was fair for SC to retain one monthly payment for Miss N's usage of the vehicle as it was recorded as 743 miles on the inspection report and Miss N hadn't been using the vehicle.

Miss N explained this was an error and supplied an image showing the true mileage of around 475 and that it was 473 on the day of the inspection, explaining that her usage was even significantly lower than this as the vehicle was delivered to her with over 100 miles on it at purchase. Due to this, the investigator explained it was fair that all payments were returned to Miss N. I agree that due to Miss N's very limited usage and when she asked to reject it, it would not be fair for SC to retain one monthly payment.

I then thought about if a payment for distress and inconvenience was relevant in the circumstances. I can see the investigator recommended a payment of £200 for this. Miss N requested this to be increased because of the impact that the agreement has had on her credit file.

I agree that £200 is a fair reflection of the distress and inconvenience caused here. I say this because there will have been stress caused and inconvenience to Miss N being unable to use her vehicle, having to complain about it and suffering from the information on her credit file including having a credit account paused. I would not recommend higher than this amount because I haven't seen that Miss N has been significantly impacted by the information on her credit file, although I appreciate why Miss N feels differently.

My final decision

My final decision is I uphold Miss N's complaint and instruct Santander Consumer (UK) Plc must follow my directions above to do the following:

- End the agreement with nothing further to pay as outlined above.
- Collect the vehicle as outlined above.
- Refund monthly payments made towards the agreement if applicable as outlined above.
- Pay 8% simple yearly interest* on the above, to be calculated from when Miss N made the payments to the date of the refund if applicable.
- Pay Miss N £200 for distress and inconvenience caused as outlined above.

*HM Revenue & Customs requires Santander Consumer (UK) Plc to deduct tax from the interest amount. Santander Consumer (UK) Plc should give Miss N a certificate showing how much tax it has deducted If she asks for one. Miss N can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 9 February 2026.

Jack Evans
Ombudsman