

The complaint

Mr M is unhappy that a vehicle supplied to him under his hire purchase agreement with RCI Financial Services Limited trading as Nissan Financial Services was misrepresented to him and that the car does not perform as he needed it to.

What happened

In April 2025, Mr M was supplied with a brand-new vehicle through a hire purchase agreement with RCI Financial Services Limited trading as Nissan Financial Services (RCI). The cash price of the car was £39,852.35, with a total advance payment listed as £6,489.45. The total payable listed on the agreement was £44,961.72, payable by 47 payments of £437.12, followed by a final payment of £17,490.78.

Mr M raised several issues about the vehicle, including its suitability for towing, not being able to power a battery and fridge in a caravan for an extended period of time, concerns over the traction control system when towing alongside issues with a third-party towbar potentially invalidating parts of the warranty. Mr M has been clear his main issue is not that the vehicle was of unsatisfactory quality, but that it was not fit for the purpose he bought it for.

As he was unhappy, Mr M complained to RCI about the issues. RCI did not uphold the complaint. In its response, RCI stated information about the vehicle was given to Mr M by the sales staff without advice being provided and no recommendation was made about fitting a third-party towbar. As such, RCI did not accept Mr M's request to reject the vehicle as there were no faults and it did not believe the vehicle was misrepresented.

Mr M disagreed with this outcome and brought his complaint to the Financial Ombudsman Service where it was passed to one of our investigators. The investigator did not uphold Mr M's complaint. They explained all parties agree there are not faults with the vehicle, so it wasn't of unsatisfactory quality when it was supplied.

The investigator also explained Mr M was provided with information about the vehicle, and there is nothing to show that the sales staff recommended Mr M to fit a third party towbar. The investigator stated there wasn't evidence of a misrepresentation of the vehicle. Mr M remained unhappy and supplied some further information, this didn't change the investigator's outcome and so 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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

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 M has explained that his main issue is that he has been mis-sold a vehicle for the purpose he needed it for. There has been no disagreement over the satisfactory quality of the vehicle and as such I do not need to make a finding on if the vehicle was of satisfactory quality at the point of supply. This decision will focus on the potential misrepresentation of the vehicle.

Mr M was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it. Under Section 56 of the Consumer Credit Act, finance providers can be held liable for what the credit broker and seller say about the goods - in this case the vehicle - before the regulated credit agreement is entered into by the consumer and before the purchase is made.

This refers to 'antecedent negotiations'. This means if Mr K entered a credit agreement for a vehicle and it turns out something he was told about the agreement by the credit broker, which induced him into entering the contract, was false, the broker can be held responsible for the actions of the broker under certain circumstances.

For misrepresentation to be present, there would need to be a false statement of fact made and, in this instance, that false statement of fact would've had to induce Mr M to acquire the car under his hire purchase agreement.

Having reviewed all of the information available about this complaint, I don't have evidence to determine that the vehicle was misrepresented to Mr M. I say this because I don't have any evidence that any false statements of fact were made by the dealership about the vehicle.

Mr M has explained he was aware of the vehicle through an industry related magazine, carrying an advertisement from the vehicle manufacturer about a vehicle and Mr M has explained his decision was influenced by the advertised reduction in price if purchased through the industry related organisation that produces the magazine. Mr M has also explained he spoke with the sales staff about the advert and the fact that he needed a tow car.

I have no reason to doubt what Mr M has said about this, and I think it is likely his decision to acquire the vehicle was influenced by the advertisement he'd seen and the offered price reduction. I have nothing to show me that the sales staff at the dealership made a false statement of fact about the vehicle or its towing capabilities to Mr M. Misrepresentation can also be by omission, however I have nothing to show that crucial information that should have been made known to Mr M about the vehicle was withheld.

It appears information about the vehicle was given to Mr M, and Mr M decided to acquire the vehicle. I acknowledge why Mr M is unhappy with how the vehicle has performed in relation to what he needed it for, but as I've explained, I have no evidence to show that the vehicle under the agreement was misrepresented to him, although I appreciate why Mr M feels differently.

Mr M has also raised issues around the fitting of a third-party towbar, and how this has invalidated parts of his warranty. Mr M raised questions about the motor vehicle block exemption regulation (MVBER) later replaced by MVBE0.

Mr M explains he was told it would be quicker to get a third-party towbar fitted and wasn't told it would invalidate his warranty, whilst RCI explain the sales staff did not recommend this. It's possible a conversation was held regarding desired accessories and lead-times, but I do not have enough evidence to state that the dealership recommended that Mr M go elsewhere to obtain a towbar and as such I can't direct RCI to do anything differently on this point.

As explained above, Mr M has raised questions about MVBEO. The warranty itself appears not to form part of the finance agreement, potentially being provided by the manufacturer meaning RCI are not responsible for a complaint about it under these circumstances.

MVBEO may give consumers potential protection against manufacturers invalidating warranties automatically in certain circumstances such as an independent qualified garage carrying out a service using original or matching quality parts. Instead, there are certain elements that must be met for the warranty to apply.

As RCI is not responsible for a complaint about the warranty, I cannot make a finding on if a breach has been made, however if Mr M does find his warranty has been invalidated after needing to make a claim and he feels this is unfair under any relevant rules or regulations including MVBEO, he may be able to raise a complaint about it to the relevant manufacturer, business or body if needed.

My final decision

Whilst I appreciate why Mr M has complained, and feels the vehicle was misrepresented to him either directly or by omission, for the reasons I've explained, I don't have enough evidence to support this and as such I do not uphold Mr M's complaint about RCI Financial Services Limited trading as Nissan Financial Services.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 April 2026.

Jack Evans
Ombudsman