

## **The complaint**

Miss S complains that the car she acquired through Mercedes-Benz Financial Services UK Limited, trading as Mercedes-Benz Finance (“MBFS”) wasn’t of satisfactory quality.

Miss S is represented in her complaint. For ease of reading, the submissions and testimony of both Miss S and her representative will be referred to as being from Miss S.

## **What happened**

Miss S entered a hire purchase agreement in April 2023 to acquire a used car. The cash price of the car was £60,698, and after taking account of the advance payment, the credit provided totalled £41,247 and was to be repaid through the hire purchase agreement over the 60-month term. Miss S’ monthly rentals were £939.13, so if the agreement ran to its full term, the total repayable would be £75,808.80. At the time of acquisition, the car was more than two years old and had been driven around 13,000 miles.

Miss S told us:

- Shortly after acquiring the car, she noticed issues with the bodywork; the dashboard was flickering; and there were unusual noises and problems with the gear box;
- the car has been in and out of garages associated with the manufacturer over the past two years, and during this time, she’s never been provided with a courtesy car;
- despite some repairs, there are still some faults and repairs outstanding, including underlying issues with the fault that manifests itself at 50mph and associated suspension concerns; a high-pitched noise from the exhaust system; the car judders; and the dashboard flickers when the cameras have live defects during usage.
- there are also intermittent sensor and camera malfunctions; the seat belts stick; the windows malfunction; and there’s some outstanding cosmetic damage to the paintwork;
- she wants MBFS to be held accountable and to agree to the rejection of the car because she’s now lost faith in it.

MBFS rejected this complaint. It explained that where faults arise within the first six months of supply, it retains the right to on opportunity to complete repairs. But it says that Miss S did not raise any concerns about the car with MBFS until more than a year after it had supplied it, and on the basis of the information it had, it didn’t think it was liable for the issues experienced by Miss S.

Our Investigator looked at this complaint and said he didn’t think it should be upheld. He explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint and said that given the time Miss S had been in possession of the car, he’d seen no evidence that the faults complained of were present or developing at the point of supply.

Our Investigator explained that the faults and issues Miss S had raised with the supplying dealership appeared to have been addressed at the time, and he’d seen no evidence of the work that had / had not been completed, or any evidence that the current issues were

because earlier repairs had now failed. With this in mind, he said he couldn't conclude that the car supplied by MBFS was not of satisfactory quality.

Finally, our Investigator noted the points Miss S had raised about the garages associated with the manufacturer, and the customer service she'd been given. He explained that these weren't things this Service could look at, and he signposted her to complain directly to the garage concerned.

Miss S disagrees so the complaint comes to me to decide. She says that the car's dashboard continues to flicker, and she provided an image of a warning light from the car's dashboard.

### **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 hope that Miss S won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Miss S should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all of her submissions before arriving at my final decision.

Having done so, I agree with our investigator – I don't think this complaint should be upheld – and I'll explain why.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Miss S is a regulated consumer credit agreement, this Service is able to consider complaints relating to it. MBFS is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Miss S was of satisfactory quality or not.

I don't think there's any dispute that Miss S has experienced problems with the car - that has been well evidenced by both her testimony and the other information she's sent this Service. And I've seen copies of job sheets from some of the garages that she took the car to in 2024. But just because Miss S has had problems with the car, and things have gone wrong, it doesn't necessary follow that the car supplied to Miss S wasn't of satisfactory quality.

MBFS would only be responsible for putting things right if I'm satisfied that the issues Miss S complains about now were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Miss S acquired it in April 2023. And I simply

haven't seen anything, for example, an independent engineer's report, that explains the cause of the faults *and* shows me that the faults were present or developing when the car was supplied to Miss S; *or* that issues she now has are a result of previous repairs that have failed. And there's also no information about what repairs were / were not completed by the supplying dealership when Miss S first referred matters to it just after acquiring the car.

So, in the absence of an independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold MBFS responsible for the problems Miss S now complains of.

Now, I understand from her most recent communication with this Service that Miss S still believes the car is faulty – she's referred again to the flickering dashboard and sent in an image of a warning – *or* that she does not have full confidence in any of the repair work that was previously completed, *or* she fears that other faults may manifest themselves in the future.

In this situation, it would now be for Miss S to instruct a recognised independent engineer to inspect the car. And in the event an independent engineer identified faults, and their cause, *and* concluded that they were likely present or developing at the point of supply, *or* a result of previous failed repairs, *or* that any faulted component had not been sufficiently durable, Miss S could then bring a new complaint directly to MBFS. In these circumstances, most businesses would *consider* rejection of the vehicle and reimburse their customer for the cost of that independent inspection.

So, in the absence of an independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold MBFS responsible for the problems Miss S now complains of. I know Miss S will be disappointed with the outcome of her complaint, but I hope she understands why I've reached the conclusions that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 5 May 2026.

Andrew Macnamara  
**Ombudsman**