

The complaint

Mrs O is unhappy that a car supplied to her under a conditional sale agreement with Santander Consumer (UK) Plc trading as Santander Consumer Finance was of an unsatisfactory quality.

Mrs O has been represented during the claim and complaint process by Ms O. For ease of reference, I will refer to any comments made, or any action taken, by either Mrs O or Ms O as “Mrs O” throughout the decision.

What happened

In March 2024, Mrs O was supplied with a used car through a conditional sale agreement with Santander. She paid an advance payment of £500, and the agreement was for £22,850 over 49 months; with 48 monthly payments of £399.34 and a final payment of £12,704.01. At the time of supply, the car was almost three years old and had done 8,513 miles (according to the MOT record for 29 February 2024).

In July and August 2024, Mrs O contacted the supplying dealership about problems with the car – she said there was a scratch on the bonnet, the heater was rattling, the wireless charger only worked intermittently, the air-conditioning kept switching itself on, and the car was sluggish, struggling to move off. The dealership inspected the car on 20 August 2024, and said they were unable to replicate any of these faults.

The dealership checked the car again in October 2024, after Mrs O complained about an issue with the brakes. And the discs and pads were replaced at a cost to Mrs O of £950.

Unhappy with what had happened, Mrs O complained to Santander. However, they didn't uphold the complaint – they said that the issues with the car had occurred more than six months after it was supplied to Mrs O, and there was no evidence any faults were present at the point of supply. So, Mrs O brought the matter to the Financial Ombudsman Service for investigation.

Our investigator said that, while there was an issue with the brakes that was present when the car was supplied to Mrs O, as the car was three years old and had over 12,000 miles, the brake issue was as a result of normal wear and tear, and did not make the car of an unsatisfactory quality. The investigator also said that Mrs O had been offered reimbursement of the brake repair costs. So, they didn't think Santander needed to do anything more.

Mrs O didn't agree with the investigator's opinion. She said the issue with the brakes was present when the car was supplied, and this made the car not of a satisfactory quality at the point of supply. She felt the offer to reimburse the cost of the brake repairs was a direct admission of fault by the dealership, but they still hadn't made the payment.

I issued a provisional decision on 24 March 2026, where I explained my intention to uphold the complaint. In that decision I said:

If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

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. Mrs O was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Santander are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Santander can show otherwise. So, if I thought the car was faulty when Mrs O took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Santander to put this right.

Mrs O had initially raised a number of issues with the car, which the dealership were unable to replicate. In their view, the investigator didn't uphold the complaint about these issues, and Mrs O didn't object to this finding in her comments. As such, I'm satisfied that I don't need to consider the merits of these issues within my decision. Instead, I'll focus on what remains outstanding – the issue with the brakes.

I've seen a copy of a vehicle health check carried out by the supplying dealership. The mileage is showing as 8,513 miles and there are a number of issues flagged as 'red – immediate attention'. These are mold in the car, a new wiper blade needed and issues with the brakes – corroded front and rear discs and a worn pad. It also flags issues as 'amber – attention in the near future' which includes worn brake discs and pads. This health check identified over £1,300 worth of work that needed to be done.

An MOT was carried out on 29 February 2024, also at 8,513 miles. While the car passed, it had advisories for worn, pitted or scored brake discs. I think it's fair to say the car was standing for some time, unused, before the health check. This is shown by the presence of internal mold on the seat, seatbelts, and parcel shelf, as well as the condition of the brakes.

A long-term lack of use of a car can significantly affect the brakes, causing rust, corrosion, and potential seizure, resulting in decreased brake performance. Moisture can also build up in the brake fluid, also reducing performance. While the lifespan of the brake discs and pads can vary due to driving style, in the make and model of car supplied to Mrs O, the front brake pads are expected to last between 30,000 and 50,000 miles, the rear brake pads are expected to last between 60,000 and 100,000 miles, and the brake discs between 50,000 and 80,000 miles.

Given this, I can't agree with the investigator that, at the point of supply, the brakes had suffered sufficient reasonable wear and tear that the discs and pads needed replacement. Instead, I'm satisfied the replacement was needed due to the long-term non-use of the car before it was supplied to Mrs O. And this is something the dealership were aware of, as shown by both the health check and the MOT, with the dealership's own health check

identifying that the brakes needed replacement, something the MOT and need for subsequent replacement shows wasn't done.

As such, given that the car had only travelled around 8,500 miles when it was supplied to Mrs O, I'm satisfied the car wasn't of a satisfactory quality at supply, and Santander therefore need to do something to put things right.

Section 24(5) of the CRA allows for the single chance of repair, and this happened in October 2024 when the brakes were replaced. I haven't seen anything to show me this repair failed and, as such, Mrs O doesn't have the right to reject the car. But Santander should reimburse Mrs O the cost of these repairs.

I think Mrs O should be compensated for the distress and inconvenience she's been caused by what happened. However, this compensation must be fair and reasonable to both parties, falling in line with our service's approach to awards of this nature, which is set out clearly on our website and so, is publicly available.

Having considered matters and given that I can only consider the issues with the brakes, as this is the only evidenced issue with the car, I think £150 is a fair compensatory payment and falls in line with our service's approach. So, this is a payment I intend to direct Santander to make.

Therefore, I intend to direct Santander to:

- on receipt of proof of payments, and if the dealership hasn't already refunded this, reimburse Mrs O for the cost of the brake repairs in October 2024;*
- apply 8% simple yearly interest on the reimbursement, calculated from the date Mrs O made the payment to the date of the refund[†]; and*
- pay Mrs O an additional £150 to compensate her for the trouble and inconvenience caused by being supplied with a car that wasn't of a satisfactory quality.*

[†]If HM Revenue & Customs requires Santander to take off tax from this interest, Santander must give Mrs O a certificate showing how much tax they've taken off if she asks for one.

Responses

Mrs O accepted my provisional decision and confirmed that the reimbursement of the brake repair costs hadn't yet been paid by the dealership.

Santander asked for evidence the dealership had agreed to cover the costs of the brake repairs, which was provided to them. After receipt of this, they have made no further comments.

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.

While Santander have queried the dealership's offer, and been provided evidence of this, they haven't commented on my view that the car wasn't of a satisfactory quality when it was supplied. Nor have they offered any evidence to counter this view. As such, I see no compelling reason why I should change my view about the unsatisfactory quality of the car, or about what is needed to do to put things right.

Therefore, I will be adopting my provisional decision as my final decision, and Santander need to do something to put things right.

Putting things right

For the reasons stated in my provisional decision and above, Santander should:

- on receipt of proof of payments, and if the dealership hasn't already refunded this, reimburse Mrs O for the cost of the brake repairs in October 2024;
- apply 8% simple yearly interest on the reimbursement, calculated from the date Mrs O made the payment to the date of the refund[†]; and
- pay Mrs O an additional £150 to compensate her for the trouble and inconvenience caused by being supplied with a car that wasn't of a satisfactory quality.

[†]If HM Revenue & Customs requires Santander to take off tax from this interest, Santander must give Mrs O a certificate showing how much tax they've taken off if she asks for one.

My final decision

For the reasons explained, I uphold Mrs O's complaint about Santander Consumer (UK) Plc trading as Santander Consumer Finance. And they are to follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 20 May 2026.

Andrew Burford
Ombudsman