

complaint

Mr H has complained about the quality of a car he bought using his Santander UK Plc credit card.

background

Mr H bought a car using his Santander credit card to pay for all but the deposit. Unfortunately, within around two weeks of purchase, he experienced a number of problems with it. Because of this, he wanted a full refund, plus hire car costs.

Our adjudicator felt the car had been faulty at the point of sale. Because of this, she recommended that Santander refund the payment and the deposit (with interest), and pay the hire car costs for when the car couldn't be driven. This would be subject to Mr H returning the car, which Santander has said it would arrange.

Santander agreed to this. But Mr H felt he should also be refunded a further £700. This was because he part-exchanged his previous car for this amount.

Our adjudicator didn't recommend this be paid, as she didn't think she had enough evidence that the car had been part-exchanged, or for what amount.

The complaint's now been passed to me for my final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The majority of the redress that our adjudicator has proposed has been agreed to, so I won't interfere with this. I note that it's the standard redress in faulty goods cases, so think it's fair. The only aspect I'd add is that interest should also be paid on the hire car costs, as since he paid these, Mr H has been without the benefit of these funds.

In such cases, I'd also look to refund part-exchange values – which are, in essence, a form of deposit. So I've looked carefully at the evidence I have regarding what this was.

Unfortunately, I've not seen anything which sufficiently shows me there was a part-exchange for £700. The first invoice provided was unclear, and didn't show a value at all. Mr H then provided the invoice again, and that did set out a figure of £700. But it doesn't show that this sum was related to a part-exchange. On this basis, I'm afraid I can't find, on balance, that Mr H's car was part-exchanged for £700. The dealership hasn't been able to clarify matters either, due to the passage of time. However, Mr H may wish to pursue this with the dealership, as the sum in dispute is considerable, and I understand why he would feel strongly about it.

my final decision

For the reasons given above, it's my final decision to uphold this complaint in part. I require Santander UK Plc to:

- a) refund the £3,300 purchase price, adding 8% simple interest a year, from the date of payment to the date of settlement;

- b) refund the £50 deposit, again adding 8% simple interest a year, from the date of payment to the date of settlement; and
- c) refund the additional hire car costs of £243.47, adding 8% simple interest a year, from the date of payment to the date of settlement.

This is subject to Mr H returning the car, which Santander is to arrange.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 April 2016.

Elspeth Wood
ombudsman