

## **The complaint**

Miss D has complained about the quality of a car she acquired using finance from Vauxhall Finance plc.

## **What happened**

In June 2022, Miss D entered into a finance agreement with Vauxhall, for a used car. It was around seven years old, and had 60,400 miles on the clock. However, she's explained that she starting experiencing problems within the first two weeks, including: the clutch sticking to the floor; the accelerator not working; not being able to get above 40mph on the motorway; and faulty dashboard lights.

Miss D took the car back to the supplying dealership, but it couldn't find a fault. She then obtained video evidence, but still no fault was found. Accordingly, she complained to Vauxhall, but it didn't uphold her complaint. She then brought her complaint to our service.

One of our investigators looked into what had happened. On balance, he was satisfied that there's an intermittent fault with the car. He was particularly persuaded by videos provided by Miss D. These show: the clutch pedal sticking to the floor, with Miss D lifting it back into the correct position with her foot; and Miss D pressing the accelerator pedal, and the revs increasing, but the speed remaining constant. He was also satisfied the car was faulty at the point of supply, given that the issues manifested so soon after supply.

Our investigator noted that Miss D dropped the car with the dealership at the beginning of September 2022, for some repairs unrelated to the clutch. But it wasn't until the end of March 2023 that she received the car back. In the time the dealership had the car, there were some further issues found, which were repaired. But still, the clutch issue wasn't replicated.

Our investigator recommended that Miss D be able to reject the car. He also noted it couldn't be used from 6 September 2022 to 31 March 2023. However, she did have a courtesy car, at no extra cost, from around the start of October 2022, until 10 February 2023.

Further, although Miss D has had use of the car from 23 June 2022 to 5 September 2022, the car wasn't performing as it should have been. So, he thought a refund of ten per cent of her monthly repayments for this period was fair.

He was also satisfied that Miss D would likely incur costs for transferring her car insurance to another vehicle (or cancelling it), and for transferring her cherished plates – so she should fairly be refunded for these consequential losses, upon proof of them being incurred.

He was also persuaded that Miss D had suffered significant distress and inconvenience, and that £300 compensation would fairly reflect this.

The complaint's now been passed to me to decide.

## **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.

Having done so, I agree with the investigator, and for the same reasons he gave. From the video evidence provided, I'm satisfied, on balance, that there's an intermittent fault with the clutch, which has not been rectified. The redress that our investigator proposed flows from this, and I agree with it.

## **Putting things right**

To put things right, Vauxhall Finance plc should:

- end the agreement and collect the car with nothing further to pay;
- refund Miss D's deposit of £1,435;
- refund the monthly repayments (on a pro rata basis) as set out below:
  - 23 June 2022 to 5 September 2022 – 10% of the monthly repayments (as there was a fault with the clutch, leading to impaired use/enjoyment);
  - 10 February 2023 to 31 March 2023 – full refund of the monthly repayments (as Miss D was without both the car and the courtesy car);
  - 31 March to date of settlement – 10% of the monthly payments (as the issue with the clutch remains outstanding, leading to impaired use/enjoyment);
- pay 8% simple yearly interest on all refunded amounts, from the date of payment until the date of settlement;
- pay any cost incurred by Miss D for cancelling or transferring her insurance policy (upon the provision of proof of this);
- pay the cost of Miss D transferring her cherished plates (upon the provision of proof of this);
- pay £300 for the distress or inconvenience caused; and
- remove any negative information regarding this agreement from Miss D's credit file, and mark the agreement as settled.

## **My final decision**

For the reasons given above, it's my final decision to uphold this complaint. I require Vauxhall Finance plc to take the actions set out above, in the section headed 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 16 January 2024.

Elspeth Wood  
**Ombudsman**