

The complaint

Mr C is unhappy with the way Tesla Financial Services Ltd (“Tesla-FS”) handled the delivery of a car that was to be supplied under a conditional sale agreement. He complains that the agreement was mis-sold to him.

What happened

In July 2022 Mr C placed an order for a new car with a cash price of £57,990. The dealer acted as credit intermediary with Tesla-FS, who were to provide the finance for this deal.

Mr C has told us that when he placed the order the dealer advised him the delivery date would be between December 2022 and February 2023. He says he made it clear from the start that he wouldn’t be able to take delivery in 2022 because his wife was due to undergo a serious operation towards the end of the year and would require considerable support during her recovery.

Mr C says the dealer got in touch in November 2022 to arrange a delivery date. He says they continued to put unreasonable and excessive pressure on him until he reluctantly agreed to allow them to deliver the car earlier than he’d planned. He signed the conditional sale agreement with Tesla-FS on 9 December 2022 and the car was delivered a week later.

In January 2023 the manufacturer announced a £5,000 reduction in the price of this type of car. Mr C complained to Tesla-FS that the sales staff hadn’t been honest and open with him. He said if they hadn’t persuaded him to take earlier delivery he could’ve cancelled the deal and reordered the car at the reduced price.

Tesla-FS didn’t uphold the complaint - they said they’d simply followed the process Mr C had agreed to when he ordered the car. Unhappy with this response, Mr C referred his complaint to our service.

After looking into what had happened, our investigator said he wasn’t persuaded that Mr C had been pressured into taking delivery of the car early. He said he hadn’t seen anything to suggest Mr C was encouraged to take the car in December 2022 because sales staff knew the price would be reduced the following month. And he wasn’t persuaded Mr C would’ve received the price reduction if he’d taken delivery a month later.

Mr C asked for an ombudsman to review his complaint, so it’s been passed to me 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.

I’m sorry to hear Mr C’s family has been through a difficult time due to his wife’s operation and lengthy rehabilitation period. And I can understand how frustrating it must’ve been for Mr

C to hear the price of this model of car had been reduced a month after he'd taken delivery of one. But I'm not persuaded that Tesla-FS have done anything wrong here. I'll explain why.

Mr C's complaint relates to a car that was to be delivered under a conditional sale agreement, so I'm satisfied that this is something I can look into for him. I've considered whether I think the sales staff gave Mr C incorrect or misleading information about this deal before he signed the agreement.

Mr C says the sales staff originally told him the estimated delivery date would be between December 2022 and February 2023. Although I accept what Mr C has told us about his expected and preferred delivery dates, I've seen nothing to suggest the sales staff promised the car would be delivered in the timescale he was hoping for.

I've seen a copy of the vehicle order agreement dated 27 July 2022, which says:

"Until your vehicle is delivered to you, you may cancel your order at any time."

"You agree to schedule and take delivery of your vehicle within one week of the Ready Date... (the 'Delivery Deadline'). You agree that time is of the essence and if you do not respond to our notification or are unable to take delivery by the Delivery Deadline, you are no longer entitled to delivery of your vehicle and your vehicle will be made available for sale to other customers."

So, I'm satisfied Mr C received clear information as to what would happen when the car became available – and that he'd be expected to accept delivery within one week. I'm also satisfied that he had the option to cancel if he was unable to accept delivery for any reason.

I note that the order for this car was originally placed in Mrs C's name. Mr C says they started receiving emails and text messages about delivery from 14 November 2022 - less than two weeks after his wife had undergone a major operation. He says they received a total of 5 messages, which he feels was excessive and unreasonable in the circumstances.

As the conditional sale agreement is in Mr C's name, I need to consider whether I think he was subjected to unfair or unreasonable pressure to sign the agreement and take delivery of the car in December 2022. And I'm not persuaded that he was. Although I appreciate that this was a difficult time for him, I'm satisfied that Mr C was aware he could've cancelled the order if he didn't want to accept delivery of the car at that time.

Mr C feels strongly that the sales staff put pressure on him to take delivery before the end of December 2022 because a price reduction was planned for the following month. But as I've explained, I'm not persuaded that he was pressured into taking delivery of the car.

Although I appreciate how frustrating it must've been for Mr C to discover the price of the car was reduced in January 2023, I don't think he's been treated unfairly here. Businesses are entitled to increase or reduce the price of goods and services they offer at any time they choose. Tesla-FS were under no obligation to make Mr C aware of any future price reduction that he may have been able to take advantage of if he was prepared to wait a little longer for the car.

I'm satisfied that Mr C was charged the cash price he'd agreed when he ordered the car in July 2022. So, I won't be directing Tesla-FS to do anything different.

My final decision

Although I realise Mr C will be disappointed with this decision, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or

reject my decision before 20 February 2024.

Corinne Brown
Ombudsman