

The complaint

Mr H complains RCI Financial Services Limited trading as Renault Finance (RCI) supplied him with a car that he believes wasn't of satisfactory quality. He also wants them to compensate him for the cost of replacing the car's wheels.

What happened

In August 2022, Mr H entered into a 60 month hire purchase agreement for a used car. It's cash price was around £8,600. It was around seven years old and it had travelled over 53,500 miles. The monthly instalments were £149.

Shortly after acquiring the car, Mr H reported a number of issues with it. This included a faulty seatbelt, issues with the brakes, a wheel and other things. Repairs were carried out by the dealership but they said they couldn't find any fault with the brakes.

As part of the repairs, one of the wheels were found to be corroded and it was replaced however Mr H complained it was a different colour to the other three. As he was unhappy with this, the dealership arranged for all four wheels to be re-sprayed the same colour so they matched. Mr H was unhappy with this colour as it isn't the original one, he complained. He said it would cost him at least £500 to replace all the wheels and he wanted RCI to compensate him for the same.

RCI accepted there were initial faults with the car including the faulty seat belt but these had been repaired under warranty. They confirmed no fault with the brakes were found. Concerning the colour of the wheels, they said the dealership had made Mr H aware in advance the colour might be different and because he wasn't happy with these, they arranged for all of them to be re-sprayed the same colour. To acknowledge the initial faults with the car, RCI paid £300 compensation as a gesture of goodwill towards the cost of replacing the wheels.

Unhappy with their response, the complaint was referred to our service. The investigator recommended the complaint wasn't upheld, he believed RCI's offer was fair. He said the car wasn't of satisfactory quality at supply but it had been fixed. In regards to the wheels, he considered that to be a wear and tear component of the car given its age and mileage meaning RCI wouldn't be responsible for its repair. He considered the colour of the wheels to be a cosmetic issue which didn't impact the use of the car.

Mr H disagreed and maintained his stance.

As an agreement couldn't be reached, the complaint has been referred 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've decided RCI has done enough to put things right, I will explain why.

Mr H acquired a car under a regulated credit agreement. RCI was the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply and the quality of the car.

The Consumer Rights Act 2015 (CRA) is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that “the quality of the goods is satisfactory”. To be considered “satisfactory”, the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and all the other relevant circumstances. In a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of supply, the car’s history, safety, durability, etc.

In this case, Mr H acquired a car that was over seven years old and had travelled over 53,500 miles. As this was a used car with significant mileage and age, it’s reasonable to expect parts may already have suffered substantial wear and tear when compared to a new car or one that is less travelled.

I’ve considered the evidence provided by both parties. Based on Mr H’s testimony and the job cards from the dealership, it’s clear there were faults with the car. This included a faulty seatbelt and a corroded wheel. There is insufficient evidence there was a fault with the brakes. I don’t find a reasonable person would expect to experience such faults so soon after acquiring the car which would suggest they were present upon Mr H taking delivery of it. For these reasons, I don’t find the car was of satisfactory quality at supply meaning there was a breach of contract.

Where this happens, I expect repairs to be carried out in a reasonable timeframe and at no cost to the consumer. In this case, I can see that’s what happened. The dealership carried out repairs in August and October 2022. I understand there was some delay due to the shortage of car parts which was a known external issue at the time so I can’t hold the dealership responsible for this. Given the circumstances, I’m satisfied they carried out the repair in a reasonable time frame.

From my understanding, when the car was in for repairs a courtesy car was offered to Mr H but he declined to accept it as it was a lot smaller than the seven seater car subject to this agreement. This meant he was without a car for a few days. I acknowledge Mr H’s frustrations and I note he said because of this, he couldn’t go away as he intended (although the booking had yet to be made). The situation is unfortunate and it’s likely to have caused inconvenience but I don’t find it was unreasonable the dealership wasn’t able to provide a like for like car. I find their offer of a courtesy car was a fair one.

Based on what Mr H has told our service, the faults were rectified. However the outstanding issue appears to be the colour of the wheels. Because there was a fault with one of wheels (which meant the car wasn’t of satisfactory quality), it had to be replaced. I consider that to be a reasonable course of action given the situation. While I appreciate Mr H’s strength of feeling about the matter, I don’t find the dealership were obliged to make sure the wheel colour matched the others, I consider that to be a cosmetic issue and not one that impacts the use or performance of the car.

Nevertheless, I can see when Mr H complained the replaced wheel was of a different colour to the rest, the dealership arranged for all wheels to be re-sprayed the same colour which was at no cost to Mr H. I don’t find the dealership’s actions were wholly unreasonable. Although they weren’t required to make sure the wheels matched, it was clear they were trying to resolve the issue to Mr H’s satisfaction so I can’t say they acted unfairly.

Taking everything into account, I find the car wasn't of satisfactory quality at supply due to faults with the seatbelt and corroded wheel however I'm satisfied these have been put right at no cost to Mr H. RCI have also offered £300 compensation. I note they said this was a gesture of goodwill but given the above, had they not offered the same, I would've asked them to consider compensation. Given what's happened, I consider the £300 compensation paid to be fair given the likely impact to Mr H including the trips to the dealership for repair. Overall, I won't be asking RCI to do anything further to resolve this complaint, I find they've done enough to put things right.

My final decision

For the reasons set out above, I've decided not to uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 27 November 2023.

Simona Reese
Ombudsman