

The complaint

Mr C complains that the car he acquired financed through a hire purchase agreement with Honda Finance Europe Plc wasn't of satisfactory quality.

What happened

Mr C acquired a new car through a hire purchase agreement he signed in July 2023 with Honda Finance. Mr C said he experienced an issue with visibility at night where the digital speedometer was reflecting on to the front windscreen and side windows.

He brought a complaint to Honda Finance as he wished to reject the vehicle on the grounds that it wasn't of satisfactory quality. In its final response Honda Finance said there was no manufacturing fault or defect with the vehicle. It said the brightness of the digital dashboard could be adjusted and that this reflection was the same as in other examples of this model of car. It said the reflection was considered to be normal in a vehicle with a digital speedometer and would be the same with any other vehicle made by different manufacturers.

Mr C didn't agree and brought his complaint to this service. He said he believes there is a design fault with the model of car he acquired. He said when driving in the dark the digital speedometer reflects on to the front and side window.

While the complaint was with this service Mr C arranged for an independent inspection of the car. Following this inspection our investigator concluded the car wasn't of satisfactory quality and recommended Honda Finance put things right.

Honda Finance disagreed. It referred our view and the report from the independent assessor to the manufacturer of this vehicle. It responded that the vehicle was judged to be compliant with regulations. It asked for a decision from an ombudsman.

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 conclusions reached by the investigator for the following reasons:

Honda Finance, as the supplier of the car was responsible for ensuring that it was of satisfactory quality at the time of sale – whether it was satisfactory quality will depend on several factors including age mileage and the price that was paid for it. The car supplied to Mr C was new. As such I would expect it to be free from even minor defects.

In its final response Honda Finance said Mr C had been shown a demonstration of how the brightness of the digital dashboard can be adjusted to meet his personal preferences. Honda Finance said the dealership had explained that the reflection Mr C referred to is the same as in other examples of this model of vehicle. Honda Finance said the manufacturer also confirmed that the reflection Mr C referred to is considered to be normal in a vehicle with a

digital speedometer and that this would be the same with any other vehicle made by different manufacturers.

I've seen many photos of the windscreen and side window, taken in the dark, which show quite clearly the reflections of the digital dashboard on both windows. Mr C also provided a video illustrating the digital dashboard reflections including when the brightness is turned down. I can quite clearly see the reflection of the digital dashboard on both windows in the video.

In the video even with the brightness turned down I can still see the indicator flashing clearly on the windscreen and the digital dashboard. But I also note that with the brightness turned down the dashboard and entertainment display are difficult to see.

In the video Mr C says:

"I can see almost every digit on the windscreen right in front of my eyes...I think it's unsafe".

He told this service that the reflection is distracting and impairs his vision. He said his eyes are drawn to look at the speedometer on the windscreen particularly when the indicators are on, and when he looks to the wing mirror he can barely see across the side of the road/motorway because of the reflection.

Having looked at the evidence for myself I'm persuaded a reasonable person would agree with Mr C that the display reflected on the windscreen could be a distraction and would be unsafe.

Turning to the technical evidence –

Mr C has provided an independent inspection report for the car. The report was completed by a third-party well known in the industry for independent inspections. In summary the report findings were as follows:

"...with the dashboard display at its brightest setting there was a visual impression...to the upper centre area of the windscreen in the direct view. This can be matched with the sun visor being lowered down. There is the same view in the drivers drop glass at an acute angle.

... when the indicators or the hazards were operated, we could visually see the flashing of the indicator display on the dashboard which was illuminated in the windscreen display. The same applied to the drivers drop glass.

With the dashboard back lights set to its lowest setting, whilst this dims the visual display in the drivers view point the indicators did still flash brightly as lowering the dashboard brightness does not lower the indicator brightness.

In our opinion ...the display on the dashboard was also displayed in the top of the windscreen... directly in front of the drivers view. Whilst this can be eliminated by lowering the sun visor, at night when the sun visor would not be lowered, this is considered to be disconcerting as it easily visible and identifiable and on dark country roads we consider may pose a safety risk.

In our opinion, whilst it is suggested by the manufacturers that this is considered to be acceptable, we would disagree...

...We would finally conclude that the matter will need to be referred back to the

selling agent and / or the manufacturers for their consideration.”

I find the independent report persuasive that the reflection may pose a safety risk.

The dealership said it understood and empathised with Mr C but in its view it felt a reflection of dashboard lighting at night upon the car windscreen is acceptable. It said it test drove its showroom model of the vehicle at night and said although dashboard lights are visible it did not find them intrusive or distracting from driving the car. It said Mr C seems to drive down particular roads that have no night-time street lighting, and this causes instrument reflections to be more visible.

The independent inspector mentioned that this reflection on a dark country road may pose a safety risk and I think it reasonable that Mr C be able to rely on the safety of his vehicle on all roads especially those not lit by street lighting.

Honda Finance referred our investigator's view and the view of the independent inspector to the manufacturer of this vehicle. It said it was mindful that the issue Mr C had complained about here is deemed to be a characteristic of a digital dashboard and would be present in each example of this mass-produced vehicle.

The manufacturer responded from a regulatory viewpoint. It confirmed the vehicle is compliant with UN Regulation 125 (Uniform provisions concerning the approval of motor vehicles with regard to the forward field of vision of the motor vehicle driver). It said the purpose of this Regulation is to ensure an adequate field of vision when the windscreen and other glazed surfaces are dry and clean. The manufacturer went on to say the vehicle was tested by the Vehicle Certification Agency (VCA), in accordance with the specifications and test procedures in the above Regulation and judged to be compliant.

The manufacturer said that in the definitions chapter of this Regulation it specifically stipulated that reflection cannot be considered as “an obstruction”:

“2.19. Obstruction: means physical parts or interference in the field of vision reducing perception of light transmittance with the exception of stray light, e.g. reflection from vehicle interior, sunlight glare.”

I do understand that this vehicle model was tested prior to sale and I'm not disputing this process or that it is compliant with the Regulation pertaining to forward field of vision. It's not clear to me if an apparently permanent reflection of the digital dashboard during night-time driving would be considered '*stray light e.g. reflection from the vehicle interior*' as mentioned in the definition.

Ours is an informal service and I must make a decision based on what's fair and reasonable in the individual circumstances of this complaint as they relate to the specific vehicle Mr C has acquired. My role is not to comment on other vehicles whether the same model or not. Honda Finance didn't comment on the independent report and hasn't provided any evidence that challenges the specific onsite observations of the reflections and conclusions made by the inspector. I'm persuaded by this technical report that the reflection is an obstruction (as a reasonable lay person might define obstruction) that could interrupt Mr C's safe driving of the car. As such I'm satisfied the vehicle is faulty. As this fault has been present from the time Mr C acquired the vehicle I'm persuaded it isn't of satisfactory quality in relation to Consumer Rights Act 2015. Mr C should therefore be allowed to reject the car.

Our investigator recommended Honda Finance “Refund all payments made by Mr C minus fair usage to reflect usage of the vehicle while in Mr C's possession.” In order to ensure the

amount refunded to Mr C was specific I recommended to both parties that Honda Finance refund two payments to reflect the fair use of the vehicle (approximately 7,100 miles) and the fact Mr C has had impaired use. Honda Finance did not agree to my conclusions so made no comment on my refund proposal.

Mr C said he has hated driving this car for the last 8 months and has been lucky not to have had an accident. He said he's been very fortunate to be able to buy a new car and it should have been a joy to drive it, but all that joy turned to anxiety because of the reflection. In recognition for the distress and inconvenience caused Honda Finance should pay Mr C £200.

I'm mindful that Mr C also paid for an independent inspection and Honda Finance should refund him the sum of £288 on production of the receipt.

Putting things right

To put things right Honda Finance Europe Plc must:

- End the agreement with nothing further for Mr C to pay;
- Collect the car at no cost to Mr C;
- Refund two monthly payments in recognition for impaired use;
- Refund Mr C's deposit;
- Refund the cost of the independent inspection, £288, on production of the receipt to Honda Finance;
- Pay 8% simple annual interest on the refunds from the date of payment to the date of settlement;
- Pay £200 compensation for the distress and inconvenience caused;
- Remove any adverse information about the agreement from Mr C's credit file.

My final decision

My final decision is that I uphold this complaint and Honda Finance Europe Plc must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 June 2024.

Maxine Sutton
Ombudsman