

The complaint

Mr D complains that a car acquired with finance from Startline Motor Finance Limited wasn't of satisfactory quality.

What happened

In May 2021 Mr D was supplied with a car and entered into a finance agreement with Startline. At the point of supply that car was around 5 years old and had covered 76000 miles.

Mr D experienced issues with the engine. He took the car to a garage and was quoted around £5000 for repairs. Mr D contacted the supplying dealer, who referred him onto the warranty company. The warranty company said it would, cover £1000 of the repair cost.

Mr D complained to Startline and said he wanted to return the car.

Startline arranged an independent inspection of the car in November 2021. The engineer stated that there were signs of an injector fault and that further investigations would need to be carried out to establish the cause of the failure. The engineer also stated that the fault wasn't present at the point of supply.

Based on the findings of the report, Startline didn't uphold Mr D's complaint.

Mr D remained unhappy and brought his complaint to this service.

Our investigator upheld the complaint. He said that the engineer had accepted that the fault with the injector was a durability issue. The investigator said that under the relevant legislation, a car wasn't of satisfactory quality if it wasn't sufficiently durable. The investigator said that the failure of the component after only two months of the point of supply supported a conclusion that the car wasn't sufficiently durable. The investigator said that Startline should reimburse Mr D the cost of repairs and pay compensation.

Startline didn't respond so I've been asked 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.

The Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of standard that a reasonable person would regard as acceptable, taking into account factors such as the age and mileage of the car and the price paid. The quality of goods includes their general state and condition, and other things like fitness for purpose, freedom from minor defects, appearance and finish, safety and durability.

I'd expect a second hand car – such as that supplied to Mr D – to have a degree of wear and tear and to require more repairs and maintenance than a brand new car. So, in order to

uphold this complaint, I would need to be satisfied that the car had an inherent defect which made it of unsatisfactory quality as opposed to a fault caused by general wear and tear.

I've looked at the independent inspection report. This confirms that there is a fault with the injector, possibly caused by contact with the piston. Based on what I've seen in the report, and taking into account what Mr D has said, I'm satisfied that there's a fault with the car.

I've gone on to consider whether the fault means that the car wasn't of satisfactory quality when supplied. Startline has said that because the engineer said he didn't think the injector was faulty at the point of supply, it doesn't accept responsibility for the fault.

However, the engineer has also stated that the fault is a durability issue. Durability is an aspect of satisfactory quality, so I've considered whether the car was sufficiently durable. The available evidence shows that the fault occurred around 2 months after Mr D got the car. It had covered around 2282 miles since the point of supply. Under the relevant legislation, where a fault occurs in the first 6 months there's a presumption that the fault was present or developing at the point of supply.

Just because there's a fault doesn't mean that the car wasn't of satisfactory quality. But in this case, there's enough information for me to conclude that the car wasn't sufficiently durable. I don't think a reasonable person would expect a major component part like the injector to fail within such a short time of the point of supply. For these reasons, I'm persuaded that the car wasn't of satisfactory quality at the point of supply and that Startline should take steps to put things right.

Putting things right

Mr D has now had the car repaired and has provided an invoice showing the cost of repairs in the sum of £6,181.98. Mr D received £1000 towards these costs from the warranty company. Startline should reimburse Mr D the balance of £5181.98.

Mr D wasn't able to use the car from 31 July 2021 (the date when it broke down) until 11 February 2022 (the date when repairs were completed). I don't think it is reasonable to expect Mr D to pay for a car he was unable to use because it wasn't of satisfactory quality. Startline should refund all monthly payments made by Mr D between these two dates.

It's clear that Mr D has been impacted by the fault with the car. He's had to arrange alternative means to get to work which has caused him inconvenience. He's also had to take out a loan to pay for the repairs which has impacted him financially. Taking the overall impact on Mr D into account, Startline should pay compensation of £500 for distress and inconvenience.

My final decision

My final decision is that I uphold the complaint. Startline Motor Finance Limited must:

Refund Mr D the sum of £5181.98 for the repairs

Refund the payments made by Mr D between 31 July 2021 – 11 February 2022

Pay 8% simple interest on all amounts refunded from the date of payment to the date of settlement

Pay £500 for distress and inconvenience

Remove any adverse information from Mr D's credit file in relation to the agreement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 21 August 2022.

Emma Davy
Ombudsman