

The complaint

Miss G complains that the car she acquired through Blue Motor Finance Ltd ("BMF") wasn't of satisfactory quality. She wants BMF to repair the car and reimburse her the money she's already spent on repairs.

What happened

Miss G entered a hire purchase agreement in March 2021 to acquire a used car. At the time of acquisition, the car was around 7 years old and had been driven nearly 70,000 miles. Miss G says issues with the alternator and a corroded exhaust pipe, and problems with the car battery mean that the car wasn't of satisfactory quality and because of this, BMF should pay to reimburse her for the repairs she's already paid for. Miss G says she's paying for a car which is unroadworthy and the payments she's making could've been better used towards car repairs.

BMF rejected this complaint. It says because more than six months elapsed before Miss G mentioned any problems with the car, it needed evidence from her to suggest that the issues she's raised were present or developing at the point of sale. And that because Miss G hadn't provided any evidence, it wasn't able to uphold her complaint. It did, however, offer to look into things further if Miss G provided an independent report.

BMF told us that despite asking Miss G for an independent diagnostic report, she hasn't provided one. It says the car was serviced and it also passed its MOT before Miss G collected the car, and it was provided with a 12-month warranty and 12 months' National Breakdown Cover.

BMF also told us about the repairs it carried out on the car around or prior to its sale to Miss G. It says it:

- Ordered and fitted a new car battery at a cost of £94.29 +VAT;
- replaced a failed bulb and a faulty door handle - £150.18 +VAT;
- replaced the windscreen because of a small crack - £183.33 +VAT;
- replaced shock absorbers, mounts and front brake pads - £438.77 +VAT – when Miss G complained about a noise with the car;
- spent nearly £1,000 making sure the car was correct and in good working order for Miss G.

BMF said it was prepared to investigate the battery issue Miss G had experienced, at no cost to her, but it said it didn't think Miss G appreciated that a car of this age will incur issues of a general wear and tear nature.

Our investigator looked at this complaint and said he thought it should be upheld. He said that the age of the car and the mileage it had been driven meant that it may have already suffered significant wear and tear; there was a greater risk the car would need repair or maintenance sooner than another vehicle that wasn't as road-worn when first supplied.

He said he thought there were a number of faults with the car, but that with the exception of the issue with the battery, he thought these were down to normal wear and tear. He explained that the new battery fitted on 11 March 2021 should've lasted considerably longer than the nine months that elapsed before Miss G had to replace it. And he asked BMF to reimburse Miss G for the cost of the replacement battery.

BMF accepted the investigator's opinion and said it would refund the cost of the replacement battery upon receipt of Miss G's invoice confirming what she'd paid for it. And it also reconfirmed its offer of a free diagnostic assessment in order to establish the charging issue. It also highlighted that the MOT on this car had expired in March 2022, and it said Miss G was in breach of her hire agreement and would need to get the car MOT'd as soon as possible.

Miss G disagrees so the complaint comes to me to decide. She says the issue with the exhaust should've also been addressed at the point of sale, and she wouldn't have bought the car had she known about the corrosion at that time. She explained that she hadn't insured the car or carried out an MOT because she'd not used the vehicle since September 2021. Miss G says she's still paying for a car that is unroadworthy, she wants it to be fully repaired or to be given a full refund.

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.

When looking at this complaint I need to have regard to the relevant law and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Miss G is a regulated consumer credit agreement this service is able to consider complaints relating to it. BMF is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Miss G was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied. But, if the fault is identified after the first six months, then it's for Miss G to prove the fault was present when she first acquired the car.

Having considered all the evidence, I've reached the same conclusion as our investigator and for broadly the same reasons. To be honest, there's very little I can add to what he's already said, and I think he's set out the position very clearly in his view.

I don't think there's any dispute that Miss G has experienced problems with the car – that has been well evidenced by both her testimony and the documentation she's sent us. But

that doesn't mean that the issue with the corrosion is necessarily something that I think BMF ought to be responsible for putting right.

I say this because I don't think it's unreasonable to expect these types of issues to appear through normal in-service wear and tear on a car of this age and mileage. Miss G hasn't provided any evidence or independent report that demonstrates that this problem was likely to be developing or was present at the point the car was supplied to her. And I've not seen any evidence that suggests the exhaust has corroded prematurely for a car of its age and mileage. So, without any other evidence, I think it's more likely than not that this is simply a wear and tear issue, and I'm not persuaded that the issue with the exhaust makes the car of unsatisfactory quality.

Like our investigator, I have concerns about the replacement car battery that was supplied – I simply don't think this should've failed in the short period of time between its supply in March 2021 and Miss G needing to have it replaced only a few months later. So I'm going to direct BMF to reimburse Miss G with the costs she incurred in replacing the battery, if it hasn't already done so.

Putting things right

Unless it's already done so, I'm directing Blue Motor Finance Ltd to reimburse Miss G for the cost she paid for the replacement battery.

I understand Blue Motor Finance Ltd has been provided with a copy of the invoice in respect of the replacement battery and has agreed to reimbursing this cost. If it hasn't already paid this sum to Miss G, it should now do so.

My final decision

My final decision is that I uphold this complaint and require Blue Motor Finance Ltd to compensate Miss G as I've directed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 23 November 2022.

Andrew Macnamara
Ombudsman