

## **The complaint**

Mrs R complains that a car acquired with finance from Black Horse Limited wasn't of satisfactory quality.

## **What happened**

In October 2020 Mrs R was supplied with car and entered into a hire purchase agreement with Black Horse. At the point of supply the car was around 5 years old and had covered around 56,000 miles.

Mrs R experienced issues with the quality of the car. The electrics stopped working intermittently.

Mrs R raised a complaint with Black Horse who arranged an inspection of the car. The inspection found no faults and Black Horse didn't uphold the complaint.

Mrs R remained unhappy and brought her complaint to this service. She provided video evidence of the fault.

Our investigator upheld the complaint and said that because an attempt at repair had failed, Mrs R should be able to reject the car. Black Horse said it would accept a rejection and that it proposed to retain 16 monthly payments to reflect Mrs R's use of the car.

Mrs R didn't accept Black Horse's proposals.

I issued a provisional decision in which I said that where a rejection had been accepted, I'd expect Black Horse to refund any deposit and refund monthly payments subject to a deduction for fair use. Mrs R hadn't paid a deposit. I said I thought it was fair for Black Horse to retain 16 payments on the basis that Mrs R had been in possession of the car for around two years and had travelled around 16,000 miles.

I said that Black Horse should refund all but 16 payments to Mrs R together with interest.

I then went on to deal with compensation for distress and inconvenience caused to Mrs R as a result of being supplied with a car which was of unsatisfactory quality. Black Horse hadn't made any offer in respect of this, but I said I thought £250 should be paid to Mrs R.

I invited both parties to let me have any further evidence or arguments they wished to raise before I reached 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.

Both parties responded and said they accepted my provisional decision. In the circumstances, I see no reason to reach a different conclusion to that which I reached in my provisional decision.

**Putting things right**

To put things right, Black Horse Limited must:

End the finance agreement and arrange for the car to be collected at no cost to Mrs R

Refund all payments made by Mrs R towards the agreement less 16 payments for fair use

Pay simple interest on the sums refunded at 8% per year from the date of payment to the date of settlement

Pay Mrs R compensation of £250 for distress and inconvenience

**My final decision**

My final decision is that I uphold the complaint. Black Horse Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 5 December 2022.

Emma Davy  
**Ombudsman**