

## **The complaint**

Mr R is unhappy that a caravan supplied to him under a hire purchase agreement with Black Horse Limited was of an unsatisfactory quality.

## **What happened**

In April 2021, Mr R was supplied with a new caravan through a hire purchase agreement with Black Horse. He paid a £1,600 deposit and the agreement was for £22,850 over 120 months, with monthly payments of £272.76.

Shortly after taking possession of the caravan, Mr R found a fault with part of the seating area. He contacted the supplying dealership, who agreed to repair the fault. However, due to parts availability and the coronavirus (Covid-19) pandemic, Mr R was told there would be a delay in completing this repair.

At some point during 2022, Mr R also found additional faults with the caravan. All these repairs, including the initial issue with the seating, were completed in December 2022. Mr R has said that, because he was waiting for the repairs to take place, he didn't have the required regular habitation checks and servicing done. As such, this voided his warranty.

Mr R decided to sell the caravan in 2023, but a damp issue was found. This was confirmed by a survey. Mr R believed the damp issue had been caused by the rear bumper and panels being fitted incorrectly, and he'd had to repair this. However, the warranty company refused to deal with the damp issue as Mr R's actions had voided the warranty. So, he complained to Black Horse.

Black Horse offered Mr R £50 compensation for the delays and inconvenience caused by the initial repairs to the caravan. Unhappy with this response, Mr R brought his complaint to the Financial Ombudsman Service for investigation.

Our investigator said Black Horse had acted fairly and reasonably by offering compensation for the initial repairs. However, they didn't think Black Horse were responsible for the damp issue, as there was no evidence that showed the damp was caused by an issue which was present or developing when the caravan was supplied to Mr R. So, the investigator didn't think Black Horse needed to do anything more.

Mr R didn't agree with the investigator's opinion. He said that the £50 offered by Black Horse doesn't reflect that it took over a year for the seating area to be repaired, and the impact this had on his use of the caravan. So, he's asked for this matter to be passed to an ombudsman 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 reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr R was supplied with a caravan under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the caravan should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Black Horse are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the caravan was supplied, unless Black Horse can show otherwise. So, if I thought the caravan was faulty when Mr R took possession of it, it'd be fair and reasonable to ask Black Horse to put this right.

In this instance, it's not disputed there were a number of faults with the caravan, including the seating area, nor that these faults were repaired in December 2022. As such, I'm satisfied that I don't need to consider the merits of this issue within my decision. Instead, I'll focus on what remains in dispute – whether Black Horse are responsible for the damp issue and what, if anything, Black Horse should do to put things right.

I've seen a copy of the damp report that was carried out on the caravan in August 2023. While this confirms the presence of damp which, in some areas of the caravan, exceeds what would be considered to be acceptable; the report doesn't provide any explanation for this. More importantly, it doesn't say the damp was being caused by either a fault that was present or developing when the caravan was supplied to Mr R, or that it was being caused by the caravan not being sufficiently durable.

As the damp issue occurred more than six months after the caravan was supplied to Mr R, the CRA implies that it's for Mr R to show that it was caused by an issue that was present or developing at supply. And the report he's provided doesn't do this. What's more, I can't be satisfied that the issue with the damp wasn't caused or exacerbated by Mr R failing to service the caravan in line with the manufacturer's guidelines.

As such, and while I appreciate this will come as a disappointment to Mr R, I'm not satisfied that the damp issue is something that Black Horse are responsible for.

Turning to the repairs that have taken place, it's accepted by both parties that the delay in completing these was as a result of both the availability of parts and the availability of repair slots caused by the Covid-19 pandemic. Both of these were something that was outside of Black Horse's control. It's also the case that Mr R didn't make Black Horse aware of the issues until after the repairs had taken place. As such, even if Black Horse could've done something to speed up the repairs, they weren't able to as a direct result of Mr R choosing not to advise them of the problems earlier.

I appreciate the faults with the caravan caused Mr R some inconvenience. In their final complaint response letter, dated 31 October 2023, Black Horse offered Mr R £50 compensation for the delays to the repairs. However, they also said *“if you can provide evidence that you intended to use the goods during the period the repair was completed, please forward for my consideration, I can then assess any appropriate loss of use.”*

Based on this letter, I’m satisfied that Black Horse were prepared to consider an additional amount of compensation. But this required Mr R to contact them with evidence and/or testimony of how the damage to the seating area impacted the use of the caravan. However, Mr R hasn’t done this. So, it wouldn’t be reasonable for me to ask Black Horse to increase their offer of compensation. But, if Mr R were to provide Black Horse with the additional information and evidence they’ve asked for, within a reasonable period of time, for example within 3-months from the date of this decision, I would expect Black Horse to give this due consideration to see if any additional compensation would be appropriate.

Finally, as explained within the investigator’s opinion, the warranty was separate to the finance agreement, and the cost of this wasn’t included in the amount Black Horse financed. As such, if Mr R believes the warranty company acted unreasonably in not repairing the damp issue, this is something he would need to raise with them directly.

### **My final decision**

For the reasons explained, I don’t uphold Mr R’s complaint about Black Horse Limited.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr R to accept or reject my decision before 12 November 2024.

Andrew Burford  
**Ombudsman**