

## **The complaint**

Miss D complains about the quality of a car supplied to her by Stellantis Financial Services UK Limited trading as Vauxhall Finance ("SFS").

## **What happened**

Miss D acquired a used car under a 60 month conditional sale agreement with SFS in October 2022. The car cost £10,800 and a further £210 was paid for a warranty. Under the agreement, Miss D was required to make 60 payments of £266.09. The total amount payable under the agreement, was £15,965.40. At the time the car was supplied to Miss D, it was around seven years old and the mileage was recorded at 68,000.

In March 2023, Miss D said she started experiencing problems with the car. She said she couldn't find a VAT registered garage until May 2023. Miss D said the garage told her that a previous repair was carried out to the gearbox, but screws and bolts were missing. As a result of this, it caused a hole in the gearbox and it would need to be replaced for around £8,000. She said the warranty company refused to carry out a repair due to the previous repairs and the car was undriveable. She said she wanted to reject the car as it had caused her stress and affected her health. Miss D complained to SFS.

SFS issued its response to Miss D's complaint in June 2023. It said there was no evidence that the faults were present at the point the car was supplied to Miss D.

Unhappy, Miss D referred a complaint to this service.

Our investigator looked at the complaint and said he thought the car supplied to Miss D was of satisfactory quality. He also noted Miss D had been able to travel 14,000 miles in the car before the issues transpired.

Miss D disagreed. She said she hadn't covered 14,000 miles in the car and the warranty company should have covered the repair. She said she hadn't done anything to the car that could affect the gearbox. She said she had been told a new CV boot hadn't been fitted but the manufacturer told her it had. She said if it hadn't been fitted, she should be able to have the gearbox fixed.

Our investigator asked Miss D to provide any supporting information to show she hadn't covered 14,000 miles. He said he couldn't comment on the decision made by the warranty company and that he hadn't seen any information to confirm there was a previous repair to the CV boot or gearbox.

Miss D said the car didn't have as many miles when it was taken to the garage for repairs and it was driven after she took it to the garage until it broke down. She said she was confused about why the warranty company wouldn't fix her car. Miss D said it wasn't her fault that someone carried out a previous repair and didn't replace the parts properly.

As Miss D remains in disagreement, the case has been passed to me 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.

Where evidence is incomplete, inconsistent or contradictory, I reach my view on the balance of probabilities – in other words, what I consider most likely to have happened in light of 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.

Both parties have provided a good deal of evidence, so I've had to summarise things in this decision. The rules of our service allow me to do this, but I want to assure the parties, if I don't mention every single point that's been raised, it's not because I haven't thought about it. I have considered everything that's been said and sent to us. However, I'm going to concentrate here on what I consider is key to reaching a fair and reasonable outcome overall.

What I need to decide in this case is whether the car supplied to Miss D was of satisfactory quality. If I don't think it was, I'll need to think what's fair, if anything, to put things right.

The finance agreement in this case is a regulated conditional sale agreement. So our service is able to consider complaints relating to it. SFS is the supplier of the car under this type of agreement and so is responsible for dealing with a complaint about its quality.

The Consumer Rights Act 2015 ("CRA") covers conditional sale agreements. Under a conditional sale agreement, there are implied conditions that the goods supplied will be of satisfactory quality.

Miss D acquired a car that was used – so there would be different expectations compared to a new car. Having said that, the car's condition at the point of supply, should have met the standard a reasonable person would consider satisfactory, taking into account its age, mileage and price. The CRA says the aspects of the quality of the goods includes their general state and condition alongside other things such as their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In this case, Miss D said she noticed problems with the car around five months after she was supplied with it. A job sheet from May 2023, which was from seven months after the car was supplied to Miss D, confirms that the car requires a new gearbox as the casing was smashed from a previous repair on the gearbox or drive shaft removal. It confirmed there was no oil in the gearbox, the oil sensor was leaking, the undertray was damaged, the front right wheel was worn, engine management light ("EML") was illuminated and the cambelt replacement was due. An email from June 2023 from a garage states that previous work had been carried out to the gearbox as screws were missing or hanging out of the driveshaft. A further email confirmed that a new CV boot was fitted and there were missing spacers which had been hitting the gearbox and this had caused a hole, leading to gearbox failure.

Based on this, I'm satisfied that the car had faults. I now need to consider whether these faults make the car of unsatisfactory quality.

A job sheet from June 2023 confirms that the car had a previous gearbox repair and screws were left hanging out. It states, "*Satisfactory repair not carried out. Will require a new gearbox.*" The mileage at the time was recorded as 82,129.

An independent inspection was also carried out in September 2024, by a company I'll refer to as "F". The mileage at the time was 86,389. The report confirmed:

- the coolant level was on minimum and there was no oil registering on the engine oil dipstick.
- The driveshaft was loose. There were no visible new CV boots fitted.
- Three bolts for the flange assembly were missing and the other three bolts were loose

- One of the tab washers for the bolts was bent and had damaged the gearbox at the rear casing. Another tab washer was approximately 90% risen and was being held in by one loose bolt.
- The car couldn't be started as there was no engine oil in the engine or gearbox so the gearbox couldn't be inspected
- No evidence was provided to suggest any previous repairs had been performed.
- Engineering evidence will not support the condition was pre-existing after covering a possible 14,000 miles, unless repairs were completed to the transmission prior to sale and some form of documentation can be found to confirm this
- The condition appeared more likely to be related to a previous repair which has not been completed to a satisfactory standard
- F couldn't confirm that the condition was present at the point of sale after covering a further 14,000 miles until the failure and since then a total of 18,389 miles.
- It could be argued that repairs could have been completed in the time of the vehicle's current ownership.

Following this, Miss D sent F some further information. F reviewed this and said:

*"Taking into consideration the additional information provided, if the wishbone lower suspension arm (is replaced), the outer CV joint of the driveshaft will need to be disconnected at the end closest to the wheel but the end closest to the gearbox does not need to be disturbed normally. Unfortunately, it is the end closest to the gearbox, which has come loose.*

*However, it does have to be considered that we cannot categorically confirm that no work was completed in this area. Only from an engineering perspective it would not be necessary. Based on this, as the evidence will not completely confirm that that was disturbed, we have to come to the opinion that it is not related to that problem."*

I've considered all of this carefully alongside the job sheets and emails provided by Miss D. Having done so, there is a dispute whether previous work was carried out to the car or not. This is the alleged work carried out to the gearbox, the loose bolts and the CV joint. On a balance of probabilities, I think it's more likely than not that some work may have been carried out to the gearbox at some point in time. When this took place and whether this took place whilst Miss D was in possession of the car, is unclear.

I have to also bear in mind that Miss D was also able to travel around 14,000 miles in the car before the issue was highlighted with the gearbox. She also drove a further 4,260 miles in the car by the time F carried out its report, despite the invoice from June 2023 stating that the car was unsafe to drive. The car was also second hand and the price was considerably lower than it would have been had it been sold as a brand new car. The mileage at the point it was supplied was 68,000 miles and Miss D drove a total of 18,389 miles in the car before she says it failed completely. I think a reasonable person would consider that car at 86,389 miles will likely have some problems with it and will be susceptible to suffering more wear and tear than a newer car. I also think it's more likely than not that if the issue was present at the point of supply, it would have manifested itself earlier than it did.

Based on all the information provided to me, I don't think the faults with the car make the car of unsatisfactory quality. It follows that I'm not asking SFS to do anything.

I'm aware that this is likely to come as a disappointment to Miss D and I'm sorry to hear about the impact this situation has caused to her health. I will take the opportunity to remind SFS to treat Miss D with forbearance and due consideration if she is currently in financial difficulty.

**My final decision**

I do not uphold Miss D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 4 December 2024.

Sonia Ahmed  
**Ombudsman**