

The complaint

Mr C complains that a car supplied to him under a hire purchase agreement with Black Horse Limited trading as Land Rover Financial Services (Black Horse) is of unsatisfactory quality and was mis-sold to him.

What happened

In April 2022, Mr C was supplied with a brand new car through a hire purchase agreement with Black Horse. The agreement was for £21,484.30 over 60 months, with monthly payments of £412.82.

In August 2023, Mr C discovered the caps to his fuel and AdBlue tanks didn't lock. He contacted the retailer to report the issue. The retailer subsequently told Mr C the manufacturer hadn't installed the microchip needed to activate the locking mechanism for the caps when the car was manufactured (although the mechanism itself was there), so they couldn't be locked.

Mr C says he tried, and failed, to complain directly to the manufacturer, so he then turned to Black Horse. Black Horse didn't uphold Mr C's complaint, saying:

- Mr C's car was not advertised or sold as having locking fuel and AdBlue caps;
- The specification of Mr C's car was changed when there was a shortage of microchips and so the fuel and AdBlue caps couldn't be locked;
- The sales adviser would've discussed this with Mr C; and
- The manufacturer had advised the caps couldn't be retro-fitted with the necessary chip.

Unhappy with this response, Mr C referred his complaint to us. The investigator who looked at it didn't uphold it. He didn't think there was anything wrong with the car Black Horse supplied Mr C and he didn't think it had been mis-sold.

Mr C disagrees. He says he bought a luxury car and expected his fuel and AdBlue caps to lock automatically, as they had done on other cars he'd bought from the same manufacturer in the past. Mr C says the lack of a locking mechanism is a fault that makes his car of unsatisfactory quality and entitles him to repair or replacement. Mr C also says that, when he bought the car, he had only two sources of information on its specification – the sales adviser who sold it and the car brochure. Mr C says neither mentioned the absence of a locking mechanism for the caps. He says had he been aware the caps didn't lock, he wouldn't have bought the car.

So Mr C's complaint has come 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.

I've also considered the relevant law and regulations, any regulator's rules, guidance and standards, any codes of practice, and (if appropriate) what I consider was good industry practice at the time.

Having done so, I've decided not to uphold Mr C's complaint. I understand Mr C's concerns about his fuel and AdBlue caps not locking. But, as I'll explain, I don't think this means his car was of unsatisfactory quality or was mis-sold to him.

Black Horse supplied Mr C with his car under a hire purchase agreement. This is a regulated consumer credit agreement, which means we can look at complaints about it against Black Horse.

Was Mr C's car of unsatisfactory quality?

The Consumer Rights Act 2015 (CRA) covers agreements such as Mr C's hire purchase agreement. Under it, there's an implied term that the goods supplied will be of satisfactory quality. And the CRA says goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances.

The CRA also says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

So, if I thought the car was faulty when Mr C took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Black Horse to put this right.

Mr C says previous cars he bought from the same manufacturer had automatic locking caps. And he says cars manufactured after his also have them. He regards their absence in the car he bought as a fault.

Black Horse has said it was told the manufacturer had removed this feature because of a shortage of microchips.

Based on his previous experiences, I think Mr C understandably assumed the fuel and AdBlue caps on his new car would lock. But they didn't lock because the manufacturer had excluded this feature from the specification of his model of car at the time of its manufacture. I don't think the absence of this feature means Mr C's car had a fault or defect. So it follows that I also don't think it was of unsatisfactory quality for the purposes of the CRA.

Was Mr C mis-sold the car?

When Mr C bought his car, he needed to be given information about it that was clear, fair and not misleading so he could make an informed decision about whether he wanted to buy it.

Mr C says neither the sales adviser nor the manufacturer's brochure told him the caps didn't lock. I don't have any testimony from the sales adviser, nor have I seen a copy of the brochure (which Mr C says is no longer available). But even if Mr C wasn't informed that the caps didn't lock, I don't think this automatically means the car was mis-sold. Modern cars have extensive and highly detailed specifications. The absence of locking fuel and AdBlue caps isn't a detail I would've expected to be drawn specifically to Mr C's attention before he bought the car. And that means I don't think his car was mis-sold.

Conclusion

Looking at everything I've got, I don't think Black Horse has treated Mr C unfairly or unreasonably. So I don't think it needs to do anything to put things right.

My final decision

For the reasons I've given, I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 September 2024.

Jane Gallacher
Ombudsman