

The complaint

Mr M complains that a car acquired with finance from Blue Motor Finance (“BMF”) Ltd wasn’t of satisfactory quality.

What happened

In November 2023 Mr M was supplied with a car and entered into a hire purchase agreement with BMF. At the point of sale, the car was around 5 years old. The cash price of the car was £12,950.

When he collected the car Mr M discovered a number of issues. He raised these with the supplying dealer, who advised him to contact BMF.

In December 2023 Mr M raised a complaint with BMF. He identified the following issues with the car:

USB port not working

Charging port faulty

Tyre pressure system not working

Car supplied without a type 2 charger

Windscreen water dispenses broken

Windscreen wipers require replacement

Crack in boot

BMF spoke to the supplying dealer. BMF said the dealer had agreed for Mr M to carry out repairs and send them the invoice.

Mr M had the car inspected by a main dealer. Further issues were found including:

Front plate carrier damaged

Front two tyres incorrect for vehicle

Wheel bolt missing front left wheel

Wheel bolt missing back right wheel

Tyre pressure monitoring still faulty

Damage to undertray

Previous repairs to rear bumper

Boot tray snapped

Car doesn't have manufacturers charging cable

Mr M says that the supplying dealer refused to consider the further issues. He brought his complaint to this service.

BMF didn't consider the further issues as part of its final response. It said it was happy for this service to deal with all of the issues as part of our investigation.

Our investigator upheld the complaint. He looked into all of the issues which Mr M had experienced with the car and identified which ones BMF should accept responsibility for. The investigator said that BMF should arrange for repairs to be carried out to the items for which he had found that it was responsible. He also said BMF should pay compensation of £150 to Mr M for the distress and inconvenience caused.

BMF asked the supplying dealer for its comments. The supplying dealer said the car met the expectations for its age and mileage and the fact that Mr M had continued to use it showed that it was fit for purpose.

BMF asked this service to take the supplying dealers comments into consideration and review the view.

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.

The Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account things such as the age and mileage of the car and the price paid. The legislation says that the quality of the goods includes their general state and condition, and other things like fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

Under the relevant legislation, where a car is found to be of unsatisfactory quality in the first 6 months, it's presumed that the car wasn't of satisfactory quality at the point of supply unless the business can show otherwise. After six months the burden of proof is reversed and it's up to the consumer to show that the car wasn't of satisfactory quality when it was supplied.

I've reviewed the available evidence about the issues which Mr M experienced with the car. Based on what I've seen, I'm satisfied that the car had some faults. I say this because the vehicle health check report and video dated January 2024 identifies several issues which go to the quality of the car.

In relation to the issues raised in the first part of Mr M's complaint, the supplying dealer said it would reimburse Mr M for the costs of repair. BMF upheld the complaint on this basis. So in relation to these issues, I won't be commenting further on them, because both the supplying dealer and BMF have accepted liability for repairs. For the avoidance of doubt, these issues include the USB port, the charging port, the charger, the windscreen wipers, the washer system, the tyre pressure system and the cracked boot flooring.

I can see that the repairs to the washer system have already been carried out by a main dealer free of charge.

The vehicle health check report doesn't identify any issues with the tyre pressure system. I can see that there was an issue with the tyre pressure system when the car went for its MOT in August 2023, but this appears to have been resolved the following day when the vehicle was re-tested. I haven't seen evidence that there is still an issue with the tyre pressure system. But if there is, this is something which the supplying dealer and BMF initially accepted liability for, so BMF should arrange for repairs to be carried out if necessary, at no cost to Mr M.

I've gone on to consider the further issues identified by the vehicle health check.

In relation to the front plate carried damage, if this had been present at the point of supply, I think this would've been visible when Mr M acquired the vehicle and he would have raised it as part of his initial complaint. But he didn't raise it at this stage. In the absence of any evidence to show that the damage existed at the point of supply, I think it's more likely that it has been damaged since the car was supplied and I won't be asking BMF to do anything further.

In relation to the incorrect tyres, and although tyres are generally wear and tear items, the vehicle health check identifies that these are the incorrect tyres for the vehicle. I think it's likely that the tyres were incorrect at the point of supply, which makes the car of unsatisfactory quality. BMF should accept responsibility for putting this issue right.

In relation to the missing wheel bolts, the vehicle inspection report clearly identifies that these are missing. I think it's likely that this issue was present at the point of supply. I say this because the MOT dated August 2023 identifies that the wheel fixing is missing.

In relation to the damage to the undertray, again this is clearly visible on the vehicle health check. The engineer has stated that the undertray needs to be solid because this is an electric vehicle. The report also states that the car possibly ran over something, which raises questions about whether the damage was present at the point of supply. On balance, if the damage had been present at the point of supply, I think it's likely that this would've been identified by the MOT in August 2023. I'm not persuaded that this is an issue which BMF is liable for.

In relation to the rear bumper, the engineer who carried out the health check hasn't said whether this was something which was likely to have been present at the point of supply. There isn't enough evidence for me to be satisfied that the car has accident damage. Even if the bumper has had previous repairs, there's no evidence to suggest that the repair is so poor that the car isn't of satisfactory quality because of it.

In relation to the floor mats not being factory fitted, I don't agree that this is a quality issue. There's no evidence that the current mats require repair or replacement. Even if they did, mats are wear and tear items and not something I would expect BMF to be responsible for.

Under the relevant legislation, the business is allowed one opportunity to repair the faults. BMF should therefore be given the opportunity to put things right by repairing those items I've said it is liable for. I've identified the faults which both the supplying dealer and BMF accepted liability for initially. I've also identified which of the further faults I consider BMF to be liable for. Some of the faults are wear and tear items or faults which I haven't been persuaded were present or developing at the point of supply.

Putting things right

To put things right, BMF must arrange for repairs to be completed at no cost to Mr M in respect of the following issues:

USB port

Charging port

Cracked boot flooring

Tyre pressure system (if necessary)

Incorrect tyres

Missing wheel bolts

If BMF don't wish to arrange the repairs themselves, it can allow Mr M to have the issues repaired himself and reimburse him upon production of invoices for the repairs.

In addition, BMF must refund Mr M for the repairs to the charger (£123.00) and the windscreen wipers (£69.96).

It's clear that Mr M has been caused some distress and inconvenience as a result of being supplied with a car which wasn't of satisfactory quality. BMF should pay compensation of £150 in recognition of this.

My final decision

My final decision is that I partially uphold the complaint. Blue Motor Finance Ltd must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 July 2024.

Emma Davy
Ombudsman