

The complaint

Mr B complains about the quality of a used car he acquired through a hire purchase agreement with Blue Motor Finance Ltd ('Blue Motor'). Mr B says that the car was faulty straight away. He would like the car to be fixed, or the money he has paid into it, refunded to him.

What happened

Mr B's complaint is about the quality of a car he acquired in August 2023. The car was used, and it was first registered in June 2018. So, it was about five years old when Mr B received it and the car had covered 98,370 miles.

Mr B acquired the car using a hire purchase agreement that was started in August 2023. The vehicle had a retail price of £22,649. Mr B paid a £10,000 deposit meaning £12,649 was financed. This agreement was to be repaid through 60 monthly instalments of £311.51. If Mr B made repayments in line with the credit agreement, he would need to repay a total of £28,691.60.

Below is a summary of the issues complained of by Mr B and the investigation and repair work that has been carried out, alongside what has happened in respect of the complaint.

In August 2023, Mr B says he had problems with a heldex pump and took this to the dealership. Mr B says that the dealership didn't repair this, and he took it to an independent garage. He says that this garage also found a problem with the car's differential. And as far as I can see this was fixed under warranty, and Mr B says he contributed £750 to these repairs.

On 5 December 2023, the car broke down and was recovered. The report from the recovery company notes that the car had a potential fault with the timing chain, intake manifold, the cars diesel particulate filter ('DPF') and the exhaust gas regeneration ('EGF') valve. Mr B says he had driven the car 3327 miles at this point over about four months.

The car was looked at in January 2024 by a specialist garage which confirmed that the car needed significant work. The main areas the car needed work on were:

- The DPF was full and needed maintenance.
- The catalyst efficiency was below the threshold.
- The engine timing chain needed to be replaced.

The Land Rover inspection showed that the car needed over £10,000 of maintenance and repair work. I understand that Mr B has been unable to drive the car since it was recovered.

Mr B complained to Blue Motor saying that the dealership hadn't fixed the problems he had with the car. He would like the car rectified or some form of compensation.

Blue Motor had the car looked at by a third-party inspection company. The report provided on 23 January 2024 said that the car did have a problem with the timing chain, and this

wasn't road tested as this may damage the engine. The timing chain would need to be replaced.

The report also said that there was no excessive smoke from the exhaust, there was the expected levels of power assistance from the steering, and the static gear selection was normal. The check in the engine bay and vicinity also revealed no evidence of coolant leaks and only the expected levels of oil seepage was present given the cars age and mileage.

The overall conclusion of the report was that the faults with the car were wear and tear that should be expected in a car of this age and mileage.

Blue Motor considered this complaint, and it didn't uphold it. It said that whilst the car had problems the independent report said that the issues with the car were general wear and tear. It said that the car was fit for purpose at the time of sale.

Mr B didn't agree with this and brought his complaint to the Financial Ombudsman Service.

Our Investigator didn't uphold Mr B's complaint. She said that whilst the car did have some faults, the independent report had concluded that they were ordinary wear and tear and to be expected from a car this age. And so, she also didn't think that the car was likely to be of unsatisfactory quality at the time of sale.

Mr B didn't agree with the Investigator. He said that he thought the problems with the car went beyond ordinary wear and tear as it now had a significant fault. The car currently won't start. It should have had a major service before it was supplied to him which would have identified these problems, and they could have been rectified before he acquired the car.

Because Mr B didn't agree, this matter has been passed to me to make 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider was good industry practice at the relevant time.

The agreement in this case is a regulated hire purchase agreement – so we can consider a complaint relating to it. Blue Motor as the supplier of the goods under this type of agreement is responsible for a complaint about their quality.

The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that 'the quality of the goods is satisfactory'.

To be considered 'satisfactory', the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the car's history.

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

This car was about five years old when Mr B acquired it and it had travelled 98,370 miles. I think a reasonable person would accept that such a vehicle would probably have some parts that are worn and would need replacing sooner or later – which is reflected in the lower price paid in comparison to a new vehicle.

But there's also a reasonable expectation that a vehicle will be relatively durable - taking into account its age, price and mileage at the outset. So even though the vehicle wasn't new Mr B should have been able to use it for a reasonable period before it needed significant work.

As I've said above, it's clear that there are now faults with the car. The most serious of these, and the most expensive to fix, is the problem with the engine timing chain. Mr B says that this becoming worn may also have caused some damage to the engine. So, I think it's established that the car now does need some significant repair and maintenance. And the car is likely not driveable until this maintenance is performed.

I have to decide if the car was of satisfactory quality when it was supplied to Mr B, bearing in mind the problems that the car now has. In doing this I have to bear in mind that it has been inspected by an independent third-party company who have said that the repairs and maintenance the car now needs are due to its age and mileage. And these are ordinary wear and tear, that the car has experienced over its life. So, they aren't due to any inherent problem with the vehicle that was present when it was supplied to Mr B.

As this car was about five years old, and had travelled just under 100,000 miles, I think it's fair to say that there was always an increased chance that it may need significant maintenance due to this. And this is to be expected of a car of this age and mileage.

I appreciate the timing chain problems happened after Mr B got the car, and after he had driven it around 3200 miles. But I don't think that doesn't mean that the car wasn't durable or that it had failed prematurely. I don't think the evidence I have seen shows that there was an inherent problem with the car that was present or developing when it was supplied.

And the maintenance that is needed to the DPF and EGR valve, and the wear to the brakes and windscreen wipers, and other issues, are maintenance that will need to be done from time to time in any vehicle. And whilst I appreciate what Mr B has said that the car had problems right from the start, the evidence I have seen leads me to conclude that it needed this work due to ordinary wear and tear rather than the car not being of satisfactory quality.

So, overall, I can't say it's likely that the problems that Mr B has complained about were apparent or developing at the time the car was supplied to him. It follows that, having looked at everything, I don't think there is enough for me to say that the car was not of satisfactory quality when it was supplied. And whilst the car breaking down was unfortunate, I don't think that Blue Motor should be responsible for putting the faults with the car right or paying any compensation.

I'm not upholding Mr B's complaint.

My final decision

For the reasons set out above, I don't uphold Mr B's complaint.

Blue Motor Finance Ltd should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or

reject my decision before 21 February 2025.

Andy Burlinson
Ombudsman