

The complaint

Miss T is unhappy with the quality of a car supplied by Black Horse Limited using a hire purchase agreement.

What happened

In January 2024, Miss T entered into a hire purchase agreement with Black Horse for a used car. The car was around four years old and had been driven for 34,416 miles. The cash price was £10,648.

Miss T has explained that soon after acquiring the car there was a burning smell and it started to shake. She took it back to the dealership who inspected it. Miss T says she was told by the dealer at this time that she could reject the car, but they dispute this. Instead, they've said they inspected it, found no faults, and asked Miss T to collect it.

Unhappy with how things were progressing, Miss T complained to Black Horse. They asked her permission to obtain an independent inspection report, but she declined. She said she thought the dealership had fixed the car, and so the report wouldn't show anything was wrong.

As Black Horse couldn't arrange an independent inspection, they said there was nothing further they could do, and they wouldn't allow for a rejection to take place.

Unhappy, Miss T brought her complaint to our service.

An investigator looked into things and said that as there wasn't any evidence that there were faults with the car, they didn't think Black Horse had done anything wrong.

Miss T disagreed because she felt she was misled by the dealership, so the case has been passed to me to review.

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.

Miss T acquired her car using a hire purchase agreement and so The Consumer Rights Act 2015 (CRA) is the relevant legislation for this complaint. The Act sets out expectations and requirements around the quality of goods supplied. In summary, goods should be of satisfactory quality. Satisfactory quality is essentially based upon what a reasonable person would consider to be satisfactory. In instances like this when considering the quality of a car, the age, mileage and price are some of the things that I think would be considered to be reasonable to take into account.

Miss T reported issues with her car soon after acquiring it, and she said the dealership told her she was able to reject it because of this. So, I can understand why she would've been disappointed when she was asked by the dealership to collect her car. It seems there was

an issue with communication here, but I wouldn't have expected the dealership to have allowed a rejection to take place if they couldn't find any faults with the car.

The CRA only allows a rejection to take place if a car is of unsatisfactory quality and so I also can't hold Black Horse responsible for an error in communication by the dealership.

I understand why Miss T thought an independent inspection wouldn't help as she believed the dealership had fixed the car by this point. However, there is little evidence that there were faults present or developing with Miss T's car before or after it was taken back to the dealership. And without this, I'm unable to conclude that Miss T's car wasn't of satisfactory quality.

I've also noted that Miss T has recently supplied a letter saying her car is part of a recall for non-compliance to an emission regulatory requirement. I've thought about this, but I don't think this recall means there is an issue with the car. This is because I don't think it not being compliant with a regulation affects the car's performance and makes it of unsatisfactory quality.

It follows, that this means I can't say Black Horse has done anything wrong in not allowing a rejection to take place.

I know this will come as a disappointment to Miss T and I'm sorry to hear about how all this has affected her.

If she is struggling financially, I would expect Black Horse to provide support and treat her fairly when doing this.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 28 April 2025.

Ami Bains
Ombudsman