

The complaint

Mrs S complains Black Horse Limited trading as Land Rover Financial Services (Black Horse) supplied her with a car that she believes wasn't of satisfactory quality.

What happened

In June 2023, Mrs S entered into a 49 month personal contract purchase (PCP) agreement for a used car. The car's cash price was £43,030, it was around four years old and had travelled around 66,200 miles. She also purchased a guaranteed asset protection policy (GAP). Mrs S paid a £9,500 deposit and the rest was financed via a loan with Black Horse. The monthly payments were £567 with a final optional payment of £20,300 should Mrs S decide to keep the car.

Mrs S says within weeks of acquiring the car, she experienced issues with the brakes. She also said she was unhappy that the cost of insurance was high and she believed the dealership should've made her aware of the same.

Around September 2023, she reported that the dashboard was shutting down while driving and there was an abnormal rattling noise coming from the car. The dealership carried out repairs under warranty. They replaced the driveshaft, outer inner clip, updated the software and repaired the wiring. There was no evidence of issues with the brakes.

Despite these repairs Mrs S says within a couple of months the faults remained, the car had broken down and it had difficulty starting. She also complained that the sidestep was previously removed while the car was being looked at but it wasn't replaced and she had been quoted £900 for it to be re-fitted.

Black Horse accepted there were faults with the rattling and dashboard but confirmed repairs had been carried out. They said there was insufficient evidence the faults remained but they would consider the same if provided by Mrs S. They asked Mrs S to return the car to the supplying dealership so they could inspect the car. To resolve the complaint, Black Horse offered to pay £199 for the trouble and upset caused and £503 for the 27 days she was unable to use the car whilst it was getting repaired.

Unhappy with their response, the complaint was referred to our service. The investigator recommended the complaint wasn't upheld. She said some repairs have already been carried out but there wasn't enough evidence the faults remained as alleged. She said Mrs S would need to provide further evidence that the car remains faulty. Regarding the insurance, she said Black Horse can't be held liable for the cost of the policy, it was down to Mrs S to review that as part of her decision to buy the car.

Mrs S disagreed and maintained her stance. She stressed that she had been trying to obtain further evidence as requested but she was having difficulty doing so because the car won't start.

As an agreement couldn't be reached, the complaint has been referred 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.

Mrs S acquired a car under a regulated credit agreement. Black Horse was the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply and the quality of the car.

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. In a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage. The quality of goods includes other things like fitness for purpose, appearance, freedom from minor defects, safety and durability.

In this case, Mrs S acquired a car that was around four years old and had travelled over 66,200 miles. As this was a used car with considerable mileage and age, it's reasonable to expect parts may already have suffered substantial wear and tear when compared to a new car or one that is less travelled. Meaning there's a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn.

Based on the job cards provided, it's evident there was a fault with the car's dashboard and an abnormal rattling noise. Neither party dispute this. However to uphold this complaint, I would need to be satisfied that not only were faults present but those faults made the car of unsatisfactory quality having taken into consideration factors such as the car's mileage, age, etc. In this case, the car had travelled around 70,400 miles when the faults were identified, that is 4,100 miles since Mrs S bought the car.

Above I've already set out the expectations of a used car. Given the age and mileage of the car at purchase and the miles covered by Mrs S, I don't find these faults made the car of unsatisfactory quality at supply. On balance, I find it's most likely due to wear and tear meaning Black Horse weren't obliged to carry out repairs. Nevertheless, I'm glad to see repairs were carried out under warranty at no cost to Mrs S. Black Horse has also agreed to pay a total of £711.95 for loss of use and for the trouble and upset caused so I can't say they've acted unfairly.

Mrs S reports the same faults remain however like the investigator and Black Horse, I find there's insufficient evidence to support the same. Black Horse has asked Mrs S to return the car to the supplying dealership or a main dealership so the car can be looked at. I consider that a fair course of action but at the time of writing this decision, I don't have evidence that has happened. I can also see the investigator has asked for evidence from Mrs S and provided details of independent companies who could inspect the car but again I haven't been provided with evidence that this hasn't been arranged. The investigator also suggested to Mrs S to consider contacting another garage if she was having difficulty communicating with the supplying dealership. While I appreciate Mrs S' personal circumstances and her responsibilities, I find she has been given a reasonable amount of time and opportunity by

Black Horse and our service to provide the same. I must stress we are an evidence based service and without such evidence, I can't say these faults remain as Mrs S allege.

Similarly in regards to other issues Mrs S has reported such as the brakes and sidestep, I don't have enough information or evidence to comment on the same.

Lastly, I note Mrs S' comments about the cost of the insurance. I agree with the investigator, I can't find Black Horse responsible for this. Neither they nor the dealership were obliged to inform Mrs S about how much the insurance would be, it's her responsibility to find out that information.

I'm sorry to hear the car hasn't performed as Mrs S expected. I also acknowledge her reliance on the car especially in regards to her children. So I appreciate she will be disappointed by my outcome, but I hope she accepts my reasons for doing so.

Taking everything into account, I find the car was of satisfactory quality at the point of supply so I won't be saying Black Horse needs to allow rejection. Repairs have been carried out and Black Horse has made an offer to pay £711.95 to settle the complaint and I think this offer is fair in all the circumstances.

My final decision

For the reasons outline above, my decision is that Black Horse should pay £711.95 to Mrs S as previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 13 December 2024.

Simona Reese
Ombudsman