

The complaint

Mr W complains that CA AUTO FINANCE UK LTD ("CA Auto") misrepresented a car he acquired under an agreement he took out with them.

What happened

In March 2023, Mr W acquired a used car using a personal contract purchase agreement with CA Auto. The car was under five years old, the cash price of the car recorded on the agreement was £26,495, the agreement was for 49 months, made up of 48 regular, monthly repayments of £231.76, followed by a final payment of £13,616, which included a £10 option to purchase fee. The advance payment recorded on the agreement was £8,500. CA Auto said the car had been driven 43,195 miles at the point of supply.

Mr W believed the car was sold with a full-service history. He believed he was told this by the supplying dealership as well as the advert for the car saying it came with a full-service history.

Mr W said he later noticed that the car may have only had one service in 2020 at around 15,000 miles. Mr W believed the car had been misrepresented.

The supplying dealership where Mr W acquired the car are no longer trading, and so his documents were passed to another branch of the dealership.

Mr W complained to the dealership and to CA Auto. In April 2024, CA Auto provided their final response to Mr W. Among other thing, they explained that upon retrieving the advert for the car, it didn't mention that it came with a full-service history.

Unhappy with CA Auto's response, Mr W referred his complaint to our service.

CA Auto supplied us with a screenshot of their internal system, where it provided the details of the advert for the car.

Our investigator didn't uphold Mr W's complaint and concluded that he didn't think the agreement had been misrepresented to Mr W.

Mr W disagreed with the investigator's findings and said he had additional evidence that needed to be considered. Among other things, Mr W said he was told that the servicing interval had been "reset" which he assumed meant he would have another 12 months from the point-of-sale service to carry out another service to the car.

Mr W supplied a copy of the advert which was listed on a third-party website. Within the advert it said, "*Full service history*".

Our investigator issued a further view. He concluded that while he accepted a false statement of fact had been made, it didn't change his opinion as he didn't think the false statement induced Mr W into taking out the agreement.

Mr W disagreed with the investigator. Mr W said he was shown the history of the car on the supplying dealership's computer and believes it was now false information. And so the complaint was passed 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.

Having done so, I'm not upholding this complaint and I'll explain why below.

If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts. In addition, I mean no discourtesy to either party to summarise the circumstances of this complaint as briefly as I have done so above.

Mr W complains about a car supplied to him under a personal contract purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr W's complaint about CA Auto.

Mr W strongly believes he was told the car was sold with a full-service history. Mr W says the advert for the car shows it had a full-service history and he says he was told the same by the supplying dealership. Mr W says later, he noticed the car didn't come as it was advertised.

I have carefully considered what Mr W has told our service here, alongside what CA Auto has said.

When considering what's fair and reasonable, I take into account relevant law, regulations and guidance. Section 56 of the Consumer Credit Act 1974 ("S56") is relevant to this complaint. S56 explains that, under certain circumstances, a finance provider is liable for what was said by a credit broker or supplier before a credit agreement is entered into. I'm satisfied S56 applies here. So, I can consider what Mr W says he was told about the car and finance by the dealer before he entered into the contract.

What I need to consider here is whether the car was misrepresented to Mr W. A misrepresentation would have taken place if Mr W was told a '*false statement of fact*' about the car, and this induced him into entering into the contract to acquire it when he otherwise would not have.

I have seen a copy of the advert Mr W has supplied. It said within it "*Full service history*" amongst several other features of the car. On the other hand, CA Auto don't believe the car was sold with a full-service history from what they supplied. But I'm also mindful that what CA Auto has supplied was details from their internal systems, rather than full details of the advert, like what Mr W had supplied from the third-party website which hosted the advert for the car.

Considering things here, I'm satisfied that the car was sold with an advert that said it had a full-service history. It follows that I'm satisfied that a false statement of fact was made.

So, I've now gone on to consider whether this false statement of fact induced Mr W to take out the agreement with CA Auto. And having done so, I don't think it would have and I've explained why below.

I have considered Mr W's actions once he acquired the car. Mr W said he first noticed that the car wasn't supplied with a full-service history around 11 months after acquiring the car. Mr W says he relied on what the supplying dealership showed him on their computer, and so trusted what he had seen.

While that may have been so, I think that if Mr W was never prepared to accept a car without a full-service history, it would be reasonable for him to have checked the service book before he did, and to raise the issues of the missing service records with the dealership much sooner.

So, I don't think the false statement of fact made about the full-service history, induced Mr W into acquiring the car and taking out the agreement with CA Auto.

Turning my attention now to Mr W believing a recent service had been completed on the car, and so had around 12 months before another service was due.

From the limited information I have, considering the supplying dealership is no longer trading, I can't be sure what Mr W was told about a service being completed on the car. So, I can't make a certain finding of whether a false statement of fact was made here. Having said that, as I said above, I have noted that Mr W did notice the service history at around 11 months after acquiring the car. So, it does corroborate Mr W's version of events, somewhat.

However, even if I was to make a finding that a false statement of fact was made about a recent service being completed, by the same logic above, it would be reasonable for Mr W to have checked the service book before he did, and to raise the issue with the dealership much sooner. So, it follows, that I don't think being told that a service was completed induced Mr W into taking out the agreement with CA Auto.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require CA AUTO FINANCE UK LTD to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 April 2025.

Ronesh Amin
Ombudsman