

## **The complaint**

Mr S complains that a van that was supplied to him under a hire purchase agreement with CA Auto Finance UK Limited wasn't of satisfactory quality.

## **What happened**

A used van was supplied to Mr S under a hire purchase agreement with CA Auto Finance that he electronically signed in February 2024. The price of the van was £10,799 and Mr S agreed to make 59 monthly payments of £250.99 and a final payment of £260.99 to CA Auto Finance.

The van's turbo failed about three months later so Mr S contacted the dealer. It agreed to repair the van but Mr S took the van to another garage. Mr S then complained to CA Auto Finance and said that he wanted to reject the van. It said that the dealer was happy to complete repairs and had requested that Mr S contact it to arrange a suitable date and time to collect the van to allow it to inspect and repair the van. It said that it believed that that was a fair and reasonable way to resolve the matter.

Mr S wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who thought that it should be upheld. CA Auto Finance and Mr S then provided further information to this service and Mr S's complaint was looked at by another of this service's investigators who, having considered everything, didn't think that it should be upheld. He was satisfied that the dealer offered to collect and inspect the van and carry out any repairs that were found to be necessary. And he was satisfied that repair was a suitable outcome in this case, not rejection.

Mr S didn't agree with the investigator's recommendation and asked for his complaint to be considered by an ombudsman. He says that the timescale and the repairer being offered weren't acceptable and he was left without a van to continue earning an income for a long period of time even though the fault with the van wasn't his fault.

## **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.

CA Auto Finance, as the supplier of the van, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr S. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the van and the price that was paid for it. The van that was supplied to Mr S was more than five years old, had been driven for about 87,000 miles and had a price of £10,799. Satisfactory quality also covers durability which means that the components within the van must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

There doesn't seem to be any dispute that the van's turbo failed in May 2024, only about three months after the van was supplied to Mr S and in that time he'd driven about 3,000

miles in it. Mr S contacted the dealer and there was an exchange of text messages. The dealer said: *"I can arrange recovery up here if you want I'll get it done cheap for you at a trade price"*. Mr S replied: *"Are you saying that I'm expected to pay for repairs?"*, to which the dealer said: *"No but it has to be here for [it] to be seen"*; and: *"It needs to be here for my mechanic to inspect it"*.

Mr S complained to CA Auto Finance about a week after the van's turbo had failed and it said: *"The [dealer] has advised that they do not support the rejection of the vehicle and they have agreed to collect the vehicle for repair; the [dealer] believes that they are being more than fair and reasonable"*; and it said that the dealer had confirmed that it didn't give Mr S a breakdown on lead times for repairing the van and would be unable to do that before collecting the van and having the opportunity to inspect it.

I consider that the issue with the van's turbo caused the van not to have been of satisfactory quality when it was supplied to Mr S, but the turbo failed more than 30 days after the van had been supplied to him so I don't consider that he had an automatic right to reject the van at that time. The dealer offered to repair the van and said that Mr S wouldn't have to pay for the repairs. I consider that the offer of a repair was a fair and reasonable response to the issues with the van and I'm not persuaded that it was fair or reasonable for Mr S to reject that repair or that the timescale for the repair was unacceptable.

Mr S said to CA Auto Finance that he'd had a similar issue with another finance company and was given a hire vehicle from the day of breakdown and it took control of the vehicle return process. But I've seen no evidence to show that Mr S asked the dealer or CA Auto Finance to provide him a hire vehicle and, even if he had done so, I'm not persuaded that CA Auto Finance was required to provide him with a hire vehicle when he hadn't accepted the dealer's fair and reasonable offer to repair the van.

Mr S didn't accept the offer of a repair and the van remained at the garage to which he'd taken it until CA Auto Finance paid £789 to the garage and arranged for it to be collected, and it says that the van is now being held at further cost to it. It's clear that Mr S's decision not to accept the dealer's offer of a repair has led to significant adverse consequences for him, but I'm not persuaded that there's enough evidence to show that CA Auto Finance has acted incorrectly in its dealings with Mr S about the fault with the van. I appreciate that this will be disappointing for Mr S, but I find that it wouldn't be fair or reasonable in these circumstances for me to require CA Auto Finance to now allow him to reject the van or to take any other action in response to his complaint. I suggest that Mr S now contacts CA Auto Finance to discuss with it the current situation and his options relating to the van.

**My final decision**

My decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 December 2024.

Jarrold Hastings  
**Ombudsman**