

The complaint

Miss B complains about the quality of a car supplied to her by STARTLINE MOTOR FINANCE LIMITED ("Startline").

What happened

Miss B acquired a used car under a 60 month hire purchase agreement with Startline in October 2023. The car cost £13,648 and Miss B paid a deposit of £3,000. Under the agreement, Miss B was required to make 59 payments of £296.67, followed by a final payment of £306.67 if she wanted to keep the car. The total amount payable under the agreement, including the deposit, was £20,810.20. At the time the car was supplied to Miss B, it was around four years old and the mileage was around 63,000. The car was supplied by a garage I'll refer to as "D".

In January 2024, Miss B complained to D and said four weeks after being supplied the car it had a fault with the panoramic sunroof. The fault occurring was that the panoramic sunroof wouldn't work and the blind would just flop down. Miss B said six garages told her they couldn't repair the issue and asked her to take the car to the manufacturer. Miss B says she paid £150 for the diagnostic test from the manufacturer. Following this, D agreed to pay for the repair costs and said it had obtained the part for repair. It later said it didn't think the issue was present at the point of supply, but it was assessing to see if it could provide a goodwill gesture. Miss B disagreed and said she only operated the sunroof by pressing a button so, she didn't cause the fault herself. D liaised with the manufacturer and agreed to pay £700 towards the cost of repairs with Miss B paying the balance amount. Miss B accepted this resolution at the time but contacted Startline to complain.

Startline issued a response to Miss B in April 2024. It said as Miss B had agreed to accept D's offer of a £700 contribution towards the repair, it didn't uphold the complaint. Unhappy Miss B referred a complaint to this service.

Our investigator said there was a fault with the car as there was an issue with the blind operation. She said she was persuaded the car wasn't of satisfactory quality when it was supplied to Miss B and when the pre-inspection was completed, it didn't appear that the roof blind condition and operation had been checked. She said she felt the electrical mechanism in the car roof had failed prematurely, Startline should pay for the remaining cost of the repairs with applicable interest and pay £200 for any distress and inconvenience caused.

Miss B accepted.

Startline disagreed. It said Miss B said that she regularly used the sunroof prior to the fault occurring and it was fair to say that if there was a problem with the roof at the time it was supplied, Miss B wouldn't have had any use of it at all.

As Startline remains in disagreement, the case has been 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.

Where evidence is incomplete, inconsistent or contradictory, I reach my view on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

I've read and considered the whole file and acknowledge that Miss B has raised a number of complaint points. I've concentrated on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it – but because I don't think I need to comment on it in order to reach what I think is the right outcome. The rules of this service allow me to do this.

The finance agreement in this case is a regulated hire purchase agreement. So our service is able to consider complaints relating to it. Startline is the supplier of the car under this type of agreement and so is responsible for dealing with a complaint about its quality.

What I need to decide in this case is whether the car supplied to Miss B was of satisfactory quality. If I don't think it was, I'll need to think what's fair, if anything, to put things right.

The Consumer Rights Act 2015 ("CRA") covers hire purchase agreements. Under a hire purchase agreement, there are implied conditions that the goods supplied will be of satisfactory quality.

Miss B acquired a car that was used – so there would be different expectations compared to a new car. Having said that, the car's condition at the point of supply, should have met the standard a reasonable person would consider satisfactory, taking into account its age, mileage and price. The CRA says the aspects of the quality of the goods includes their general state and condition alongside other things such as their fitness for purpose, appearance and finish, freedom from minor defects, safety, and – of particular relevance to this case - durability.

In this case, Miss B says she first noticed the fault with the panoramic sunroof of the car in late December 2023. This was that she couldn't operate the panoramic sunroof as the blind wouldn't operate. This was around two months after the car was supplied to her. She said a number of garages told her there was an electrical fault which they couldn't repair so, she contacted her warranty company. Whilst Miss B says she had a diagnostic carried out at a cost of £150, she says she no longer has access to this due to changing jobs.

I have seen a copy of an invoice from a manufacturer represented garage from February 2024 which states, *"glass roof blind not working, checked over and found blind fault and jamming, requires new blind authority – awaiting authority from extended warranty"*. The mileage is listed at 64,540 and the cost of the repair is quoted at £1,402.

Having carefully considered this, I'm satisfied the car supplied to Miss B had a fault as a manufacturer represented garage confirmed there was a problem with the glass roof blind.

I now need to consider whether this fault make the car of unsatisfactory quality.

I've reviewed the pre-inspection report that was carried out by a third party in May 2023. It was carried out five months before Miss B acquired the car, but I accept it's a likely representation of the car's condition at the point it was supplied to Miss B, as the mileage on recorded is only around two miles less than what it was at the time Miss B acquired the car.

Having considered this report, I agree with our investigator that it doesn't seem the panoramic roof or sunroof/convertible operation were checked before the car was supplied to Miss B. As our investigator has pointed out, this section is marked with "N/A", suggesting it wasn't checked. Other areas that have been checked have a pass, fail or advisory mark. So I disagree with Startline's comments that this was a new fault because of the testimony of

the third-party report. This area likely wasn't checked by the third party when it looked at the car. So, I don't think Startline has shown that this fault wasn't developing at the point the car was supplied to Miss B, as no one appears to have checked the relevant components.

I've also looked through the manufacturer's handbook for the car supplied to Miss B based on the VIN number of the car. It refers to the panoramic sunroof as a moonroof. It states, *"The moonroof controls are on the overhead console and have one-touch open. To stop the motion during a one-touch operation, press the control a second time...The moonroof stops and reverses if it detects an obstruction. Press and hold the front of the control within a few seconds to override bounce-back."* There is also a warning listed which states, *"When closing the moonroof, verify that it is free of obstruction and make sure that children and pets are not in the proximity of the roof opening."*

This suggests that the only handling Miss B would have with the panoramic roof is to simply press a button. It doesn't suggest she needs to use any other component in the car to operate the blind. And if there was an obstruction, the panoramic sunroof is designed to stop and reverse, but Miss B was unable to operate it at all due to the fault with the blind. The manufacturer represented garage also confirmed there is a blind fault. This is the part that sits underneath the glass panel and provides shade and it uses parts operated through a system and electrical motor.

The car was around four years old at the time it was supplied and the mileage was around 63,000. One of the considerations of whether goods are of satisfactory quality is durability. Here, the mechanical or electrical component that operates the blind in the sunroof failed and needed repairing when the car was around four and a half years old and at around 64,500 miles.

In this case, there is nothing to suggest that Miss B caused an obstruction or that the fault was caused through wear and tear. And the fault with the blind is considered a mechanical or electrical fault. This isn't a fault which would be caused through any fault of Miss B. In addition, at the time the car was inspected in February 2024, the car's odometer reading was 64,450. This means that over four months, Miss B had only travelled around 1,500 miles in the car. I consider that this is minimal use of the car. So, whilst Startline has said Miss B made use of the panoramic sunroof, which I have no doubt she did, it doesn't mean the mechanical or electrical fault with the car wasn't developing at the point it was supplied.

And even if I'm wrong about the fault being present or developing at the point of sale and the fault occurred after Miss B took possession of the car, I think a reasonable person would consider that a mechanical or electrical component would last longer than this. I don't think it's reasonable that a car would suffer this kind of component failure considering the age and mileage at the time the component failed. And so, given Miss B appears to have used the car as she was expected to, I don't think the roof blind component was sufficiently durable. It follows that I don't think the car was of satisfactory quality when it was supplied to Miss B.

I also take note of Startline's internal emails between itself and D. I can see that D told Startline it had proven the fault wasn't present at the point of supply. But Startline said it would need evidence of this and requested recordings D had referred to. However D declined to provide these as it was happy with the resolution it had offered. Startline also commented that the third-party report sent to it by D didn't mention the electric roof blind, as pointed out by our investigator. So, despite Startline's comments in response to our investigator's view, it seems that Startline itself wasn't satisfied that it was more likely than not that the car it supplied to Miss B in October 2023 was of satisfactory quality, despite the fault occurring within six months.

I've gone on to consider what Startline needs to do to put things right.

The fault has now been repaired. D initially said it would pay for the repair but later rescinded this and instead made a contribution of £700 towards the repair instead. This left a balance owing that Miss B agreed to pay at the time in order to have the repair carried out.

I think Startline should cover the balance paid by Miss B for the cost of the repair as the blind component made the car of unsatisfactory quality. I appreciate that D said its offer was in full and final settlement however this was an offer made and paid by D.

I accept that Miss B likely agreed to the offer at the time due to her wanting the car fixed. However, it doesn't mean that I think the offer made by D was fair or that it was fair for Startline to endorse this offer given I think the car supplied to Miss B was of unsatisfactory quality. The remedy offered by the CRA is one chance to repair, which D didn't exercise and so, Miss B is entitled to receive the costs of repair in full. I think this is the most appropriate remedy in the circumstances.

The email chain suggests that Miss B was required to pay an additional £300 to £400 for the repair to be carried out. Miss B should provide an invoice confirming the amount she paid towards the repair and Startline should pay her this amount with applicable interest.

Miss B has also explained the impact of not being able to operate the panoramic sunroof. She has said that her child has medical needs and he enjoys looking out of the sunroof when in the car. However, he wasn't able to do this due to the blind operation being faulty. I appreciate this likely caused Miss B some distress as she would likely have had to accommodate her son in other ways.

Miss B should have also been able to use the panoramic sunroof but was unable to do so, so her use of the car was impaired too. I can also see that she tried to resolve this complaint in a number of ways, through her warranty provider and D, she approached the manufacturer represented garage for quotes and did most of the negotiating in the price for the repair, despite this being Startline's responsibility. So, I'm satisfied that Miss B was also caused inconvenience and so, I think Startline should pay Miss B £200 to reflect the distress and inconvenience caused.

My final decision

My final decision is that I uphold Miss B's complaint. I instruct STARTLINE MOTOR FINANCE LIMITED to put things right by doing the following:

- Pay Miss B the balance amount she paid for the cost of the repairs;
- Pay Miss B 8% simple interest on this amount from the date of payment until the date of settlement;*
- Pay Miss B £200 for the distress and inconvenience caused;** and
- Amend any adverse information reported to credit reference agencies about this hire purchase agreement.

*If STARTLINE MOTOR FINANCE LIMITED considers that it is required by HM Revenue & Customs to withhold income tax from that interest, it should tell Miss B how much it's taken off. It should also give Miss B a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

**If STARTLINE MOTOR FINANCE LIMITED does not pay this £200 compensation for distress and inconvenience within 28 days of the date on which we tell it Miss B accepts my final decision then it must also pay 8% simple yearly interest on this from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 30 May 2025.

Sonia Ahmed

Ombudsman