

The complaint

Mr H complains that the car he acquired financed through a hire purchase agreement with First Response Finance Ltd ("First Response") wasn't of satisfactory quality.

What happened

In July 2023 Mr H acquired a used car financed through a hire purchase agreement with First Response. In May 2024 Mr H said the car suffered a blown radiator suddenly while he was driving. He had it replaced but was told there was a pressurisation issue present which would have caused the problem. He took the car to a manufacturer's garage and was told the engine had failed and required replacement. Mr H complained to First Response.

In its final response First Response did not uphold the complaint. It did not consider the fault to be present and developing at the point of supply. Mr H wasn't satisfied and brought his complaint to this service.

Our investigator concluded that while there was a fault with the vehicle it was more likely due to reasonable wear and tear. Mr H didn't agree and asked for a decision from an ombudsman.

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.

I realise this will come as a disappointment to Mr H but having done so I won't be asking First Response to do anything further.

In considering what is fair and reasonable I need to have regard to the relevant law and regulations, regulator's rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time. Mr H's hire purchase agreement is a regulated consumer agreement and as such this service can consider complaints relating to it.

First Response, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr H. Whether or not it was of satisfactory quality at that time will depend on several factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr H was about seven years old and had been driven for approximately 47,000 miles. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on several factors. If I am to decide the car wasn't of satisfactory quality, I must be persuaded faults were present at the point of supply. Faults that developed afterwards are not relevant, moreover even if the faults reported were present at the point of supply this will not necessarily mean the car wasn't of satisfactory quality. This is because a second-hand car might be expected to have faults due to wear and tear.

I'm satisfied there is a fault with the car. Mr H has provided a quote from the manufacturer's garage which indicates the vehicle requires urgent attention including a replacement engine.

The onus is on the business to prove the fault wasn't present at the point of supply within the first six months after purchase. After this it is generally the responsibility of the consumer to prove the faults were present. Mr H's car failed 11 months after supply so I asked Mr H if he would arrange for the car to be independently inspected to determine if the faults were likely present or developing at the point of sale. Mr H didn't agree. He felt this wasn't a fair request given he was sold a car that hadn't lasted for a fifth of the agreement term. I am sympathetic to Mr H's situation, and I understand his frustration. Although the car failed after six months, I did ask First Response if it would be willing to organise and pay for an inspection. First Response did not reply to this request. Without an independent inspection I must rely on the existing evidence supplied.

Mr H has said he was told the engine had failed – it became porous which caused pressurisation. It requires a new engine which is quoted as costing about the same as the value of the car when he bought it – around £10,000. Mr H has said it would seem the car was faulty and deteriorating as these things don't just happen on low mileage.

While the quote from the manufacturer's garage is sufficient to confirm there is a significant fault with the car it doesn't confirm whether the fault was present or developing when the car was supplied. The car needs a more in-depth investigation which neither party is willing to arrange.

Where the evidence is incomplete, inconclusive or contradictory I reach my decision on the balance of probabilities - in other words what I consider is most likely to be the case considering the available evidence and the wider circumstances.

It's possible the problem with the radiator was caused by an issue that was present or developing 11 months earlier. But I've no evidence to say whether this was the case or even likely to be the case. Mr H had been able to drive the car nearly 19,000 miles in the 11 months before it failed. This would be considered above average mileage. So, it's possible the problems were due to wear and tear. I've looked at the MOT history of the vehicle and there aren't any advisories related to the engine. I haven't seen a copy of the service history, so I don't know if the car was serviced regularly. I'm not able to say whether the faults were present or developing at the point of supply and given Mr H was able to drive the car nearly 19,000 miles before it failed it seems likely the problems developed as a result of wear and tear, and I won't be asking First Response to do anything further.

I'm sympathetic to the fact this is not the news Mr H would like. He's explained the financial impact this situation has had on him and I'm very sorry to hear that. If he is still having financial difficulty, he should contact First Response to discuss his options. Businesses have a responsibility to respond sympathetically and positively to customers where they are aware of financial difficulty.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 May 2025.

Maxine Sutton

Ombudsman