

The complaint

Miss J is unhappy that a car supplied to her under a Personal Contract Purchase (PCP) agreement with CA Auto Finance UK Ltd (CA) was of an unsatisfactory quality.

When I refer to what Miss J or CA have said or done, it should also be taken to include things said or done on their behalf.

What happened

In January 2024, Miss J was supplied with a used car through a PCP agreement with CA. The car was first registered in November 2018 and the finance agreement confirmed it had travelled around 24,706 miles when supplied. The cash price of the car and the amount of credit was £19,060, to be paid over 46 months; with 45 monthly payments of around £393 and a final repayment of £8,464.

Miss J reported the service light illuminating, a strong smell of fumes and squeaking brakes to the supplying dealership in February 2024. An engineer attended Miss J's home twice and found there to be no fault or smell present.

In September 2024, the car underwent a health check which found the compound on the rear brake pads to be breaking down. Miss J paid around £460 for the fitting of new brake pads and discs.

Miss J complained to CA that the car was of unsatisfactory quality when it was supplied to her. CA said there was no evidence of a fault with the brake system when it was supplied and consider the repairs to be related to wear and tear.

Our Investigator reviewed matters and didn't think Miss J's complaint should be upheld. They said there was no evidence of the faults she reported in February 2024 and brake pads and discs are serviceable parts. And as these were repaired over six months after the car was supplied to Miss J, the onus is on her to provide evidence that proves the car had an inherent fault which made it of unsatisfactory quality.

Miss J didn't agree. In summary, she said she raised the issues with the car within the first 30 days of the agreement and the engineer who attended in February 2024 didn't carry out adequate checks. She's since been advised by a mechanic that the brakes would've been deteriorating when she acquired the car and she's not liable for existing wear and tear prior to taking possession of it.

As no agreement has been reached, 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.

Having done so, I've reached the same overall conclusions as the Investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've taken into account the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

Miss J was supplied with a car under a PCP agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Miss J entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. In this case those relevant circumstances include, but are not limited to, the age, mileage and cash price of the car at the point of supply. The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In Miss J's case the car was used, with a cash price of £19,060. It had covered around 25,000 miles and was over five years old when she acquired it. So, the car had travelled a notable distance, and it is reasonable to expect there to be some wear to it because of this use. I would have different expectations of it compared to a brand-new car. As with any car, there is an expectation there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be repaired or replaced. And with second-hand cars, it is more likely parts will need to be repaired sooner or be worn faster than with a brand-new car. So, CA wouldn't be responsible for anything that was due to normal wear and tear whilst in Miss J's possession.

An engineer inspected the car twice in February 2024, following Miss J's reports of squeaking brakes, smell of fumes and an illuminated service light. Miss J says as this was within the first 30 days of her agreement, she should've had the right to reject the car under the CRA. The CRA does provide a short term right to reject within the first 30 days, but only where there is a fault that makes the car of unsatisfactory quality. I haven't been provided with any evidence that confirms the presence of a fault at this time, or that any repairs were carried out – so I don't have enough to say the car was of unsatisfactory quality due to the issues Miss J reported. I'd also note that even where a car is found to be of unsatisfactory quality within 30 days, Miss J would've needed to express her wish to reject the car within this time. She wouldn't have been able to retrospectively exercise her right to short term rejection.

From what I've seen, Miss J didn't report any further issues with the car until September 2024. A health check found the car needed new brake pads and discs. The report confirmed the breaking down of the compound on the rear brake pads, which made the car unsafe to drive.

I've considered that the report confirmed this had been happening for longer than a few months. However, brake pads and discs are serviceable items that are subject to wear and tear. I don't doubt there would've been some existing wear when Miss J acquired the car, but this is to be reasonably expected of a used car and wouldn't make it of unsatisfactory quality.

The car passed an MOT a week after Miss J acquired it, which suggests the car was safe and roadworthy at this time. Had the pads and discs been excessively worn and in need of changing when the car was supplied to Miss J, I'd have expected this to have been picked up during the MOT. In addition, Miss J had travelled over 7,000 miles in the car over around an eight-month period before they were replaced. I think it's unlikely she would've been able to travel such distance had there been a fault with the brakes, or excessive wear and tear, when it was supplied to her.

Based on the evidence available to me, including the age of the car and how far it had already travelled before Miss J acquired it, and the amount of miles she was able to cover before needing to replace serviceable parts, I find it's more likely than not parts needed to be replaced because of normal wear and tear and them coming to the end of their life cycle. I find there to be insufficient evidence that persuades me there was a fault with the car and I've seen no evidence that confirms repairs were carried out beyond expected and necessary maintenance, following reasonable wear and tear.

As I can't say CA supplied Miss J with a car that was of an unsatisfactory quality, I'm unable to reasonably agree they are responsible for refunding Miss J for the repairs carried out. I realise this will come as a disappointment to Miss J, but I don't think CA needs to do anything further.

My final decision

For the reasons explained, I don't uphold Miss J's complaint about CA Auto Finance UK Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 20 August 2025.

Nicola Bastin
Ombudsman