

The complaint

Mr K complains about the quality of a car supplied by Black Horse Limited ('BH') on finance.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In April 2024 BH supplied Mr K with a second-hand car which he said he had problems with including the boot latch and bodywork and noise from the suspension. Mr K complained to BH about it.

BH confirmed that the boot latch and bodywork had been repaired. And said it would pay £313.01 compensation for distress and inconvenience and loss of use of the car in respect of this.

However, BH would not agree to cover repairs to the suspension. It considered any issue to be down to reasonable wear and tear. And points to an expert report which concluded the same.

Our investigator did not uphold the complaint in respect of the suspension. And thought the compensation offered to date was reasonable.

Mr K does not agree. In summary, he says he reported the suspension noise to the dealer when the car was still under warranty and it failed to resolve this. He doesn't want to drive the car each day with the noise – and considers it is shown by video evidence he has provided.

The matter has been passed to me for a final decision.

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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. BH is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

Our investigator has referred to the Consumer Rights Act 2015 but I think that may not apply here because Mr K appears to have acquired the car to use for business purposes.

However, I don't think it makes a difference here as there is a similarly implied term that "the quality of the goods is satisfactory" in business to business contracts.

The quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. So it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the vehicle's history.

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 can be aspects of the quality of goods.

BH supplied Mr K with a second-hand car that was around 10 years old and had done around 31,500 miles at the point of supply. The dealer priced it at £7,450 which is notably less than what a new or newer model with less mileage would cost. It is fair to say that in these circumstances (particularly noting the age) a reasonable person would consider that the car had already suffered significant wear and tear – and was likely to require more maintenance and potentially costly repairs much sooner than you might see on a newer, less road worn model.

The key issue Mr K is concerned about is the suspension noise. However, all the evidence points to this being down to reasonable wear and tear noting the following:

- The car was 10 years old at the point of supply.
- Mr K appears to be a high mileage user covering around 1,500 miles a month and using it as a commercial vehicle subjecting it to a high degree of wear and tear in a shorter space of time than many. I note Mr K appears to have been using the car for more than a month when he said the noises started.
- An independent report confirmed that while there is a 'slight' suspension noise this is likely to be caused due to reasonable wear and tear.

I find the expert report particularly persuasive. I know Mr K doesn't but it is from a qualified engineer and he has not provided anything from a suitably qualified person that persuasively contradicts it. I note that it confirms that the condition of the car (including wear to other components like brake pads, discs and clutch) is commensurate with its age and mileage.

So I am unable to fairly conclude that the car is of unsatisfactory quality and that BH needs to do something to put this right.

I know Mr K says the car was under warranty when he reported the issues. But BH does not appear to be the supplier of the warranty here. And even if it was, a warranty will not usually cover reasonably expected wear and tear. Furthermore, even if the dealer has attempted repairs and these have failed, or if it has offered further repairs – it does not mean that BH is obliged to repair the car here, as there is no outstanding breach of contract in respect of its supply of the car under the finance agreement.

I note Mr K is now not concerned regarding the early boot latch and bodywork issues with the car. But for completeness I will cover these briefly. It appears that these issues could arguably be a result of reasonable wear and tear but BH appear to have concluded otherwise. Overall, I am willing to accept these issues were more likely to be a breach of contract. However, in any event I note these appear to have been fixed. And I can see that BH offered compensation for the disruption caused. This appears to be around £250 for distress and inconvenience and some additional compensation for loss of use of the car while the repairs were carried out.

I know Mr K has said he doesn't consider this to be sufficient compensation – but he hasn't provided persuasive evidence to show that it isn't. If anything it appears on the higher side of compensation considering the nature of the issues and the time things took to get repaired (about 5 days). Also noting that this compensation isn't intended to cover any other issues (like those with the suspension). So overall, I don't consider it fair to tell BH to pay more than this. I believe that BH might have paid this compensation to Mr K already – but if it hasn't it should do so.

I know Mr K feels strongly about this matter. I remind him that he can reject my decision and pursue his claim by more formal means (such as court) if he wishes to do so,

Putting things right

As set out below.

My final decision

If it has not already done so Black Horse Limited should pay Mr K the £313.01 it has offered him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 18 August 2025.

Mark Lancod
Ombudsman