

The complaint

Mrs W complains that a car acquired under a hire purchase agreement with Blue Motor Finance Ltd ('Blue Motor') wasn't of satisfactory quality.

What happened

In March 2023, Mrs W was supplied with a car through a hire purchase agreement with Blue Motor. The car was about seven years old and had covered approximately 82,000 miles when the agreement started. The agreement was for 61 months, and the cash price was £10,495.

Mrs W says shortly after acquiring the car she noticed issues with the drive on the car not being sufficient when driven over 60 miles per hour. She says there have been multiple gearbox issues and the engine management light came on. Mrs W says she got in touch with the supplying dealership in July 2023 to report the issues, but she heard nothing back. Mrs W complained to Blue Motor in November 2023.

Blue Motor looked into things but didn't uphold the complaint. It said as the faults had been reported more than six months after Mrs W acquired the vehicle the onus was on her to prove the faults were either present or developing at the point of sale. However, it did later go on to arrange an independent inspection and based on the outcome of the report it maintained the car was of satisfactory quality.

Mrs W disagreed, she didn't think the inspection had been carried out adequately and questioned the integrity of the report and referred her complaint to this Service.

Our investigator considered the complaint but didn't uphold it. In short, he said the independent inspection found the car was in a fair condition based on its age and mileage. And so, he didn't think the car was of unsatisfactory quality.

As an agreement couldn't be reached the complaint 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 affected what I think is the right outcome.

The hire purchase agreement entered by Mrs W is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Blue Motor is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mrs W entered. Because Blue Motor supplied the car under a hire purchase agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if

they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mrs W's case the car was used and covered approximately 82,000 miles and was about seven years old when she acquired it. So, I'd have different expectations of it compared to a brand-new car.

The car had travelled a reasonable distance, and it is fair to expect there to be some wear to it because of this use. As with any car, there is an expectation there will be ongoing maintenance and upkeep costs. And with second-hand cars, it is more likely parts will need to be replaced sooner or be worn faster than with a brand-new car. Blue Motor would not be responsible for anything that was due to normal wear and tear whilst in Mrs W's possession.

I've considered Mrs W's testimony, and I have no reason to doubt she was experiencing some issues with the car. Mrs W has also told us she contacted the supplying dealership about the issues soon after acquiring the car but heard nothing back. I appreciate what Mrs W has said but I have no evidence to suggest the supplying dealership were informed about such faults. I can see from the contact notes provided by Blue Motor that it had contacted the supplying dealership asking if there was anything to suggest Mrs W got in touch regarding issues with the car, but it said it didn't.

Further, although Blue Motor are responsible for whether the car was of satisfactory quality at the point of supply, it isn't responsible for its actions in dealing with Mrs W after the supply of goods. Blue Motor weren't aware of any issues with the car until Mrs W contacted it in November 2023. So, it didn't have an opportunity to look into things earlier.

What I have to bear in mind is that just because Mrs W has said there were issues with the car, this doesn't necessarily mean the car was of unsatisfactory quality when it was supplied – which is what I need to decide. I'd need to see sufficient evidence that faults made the car of unsatisfactory quality when it was supplied to Mrs W. The problem I have is I've not seen enough evidence to determine that's the case. Whilst I don't dispute Mrs W's testimony and I've no reason to doubt what she's said, that doesn't mean I can reach a conclusion that the car wasn't of satisfactory quality.

Blue Motor acknowledged it had a potential liability in respect of the quality of goods it supplied and so it instructed an independent party to carry out an inspection of the car. As a result, a detailed report setting out the professional opinion of the third party was provided. It outlined the issues it would focus on was the gearbox and a leak in the radiator, but it also went beyond this. It said, *'A diagnostic scan was carried out and retrieved no fault codes.'* It went on to say *'... the vehicles overall general condition is acceptable for a high mileage used vehicle now and would have been at the point of sale'.*

Overall, it thought the car was of satisfactory quality given its age and mileage. I see no reason why Blue Motor should not be entitled to rely on this report. I've seen nothing to contradict the findings of this report and so similarly I consider I can rely on the report in determining this complaint. I understand Mrs W wasn't happy with the outcome of the report and she questioned how the inspection was carried out. But I have no evidence which persuades me to think the inspection wasn't carried out independently and I think it's fair for me to rely on its findings.

I do empathise with Mrs W who I don't doubt feels she has lost out but taking everything into account I am not persuaded the faults complained about were present at the point of supply. And so, I can't find the car was of unsatisfactory quality.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 19 June 2025.

Rajvinder Pnaiser
Ombudsman