

## **The complaint**

Miss G complains that the car she acquired through STARTLINE MOTOR FINANCE LIMITED ("SMFL") wasn't of satisfactory quality. She says she's experienced a number of faults and now wants to reject the car and cancel the credit agreement.

## **What happened**

Miss G entered into a hire purchase agreement in October 2023 to acquire a used car. The cash price of the car was £13,980, and the total repayable was £22,802.52, and was to be repaid through the credit agreement which was set up over a 58-month term with monthly payments of £386.94. At the time of acquisition, the car had already been driven nearly 70,000 miles and was more than four years old. Miss G told us:

- When she acquired the car, she was told it would be of a high standard as it had undergone a very thorough check;
- since she's had the car there have been many major issues with it – the first within just a few weeks of supply – when the dealership carried out repairs;
- there have been further issues and problems with the car subsequently, which she's had to have further work and repairs to address, and the garages she's spoken with say that a car of its mileage and age should not have had all these problems;
- she now has a car stuck on her driveway that no-one knows what's wrong with it, yet she's still making her monthly payments, and it's affected her ability to get to/from work.

SMFL rejected Miss G's complaint about the quality of the car it had supplied. It said it hadn't seen any evidence that the problem with the car that Miss G had complained about – the car broke down and the power steering ceased functioning – was present or developing at the point of supply.

SMFL said that as Miss G had raised the matter with it more than six months after the car had been supplied, the onus was on her to obtain an independent inspection to determine the cause of the issue and whether SMFL could be held liable for it.

SMFL provided Miss G with contact details for two recognised industry experts that undertake independent inspections of cars. It said as it had been given no evidence so far, it had no choice but to close this complaint. But it did say that were Miss G to provide a report in the near future, it would re-open its investigation.

Our investigator looked at this complaint and said she didn't think a complaint about the quality of the supplied car should be upheld. She explained the relevance of the Consumer Rights Act 2015 in this particular case and said that although there may be a fault with the car, based on the independent inspector's report, she thought it was more likely that the issue Miss G experienced was not present or developing at the point of supply, and were simply fair wear and tear. And she noted that the earlier faults Miss G had complained of had been repaired satisfactorily.

Miss G disagrees so the complaint comes 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 agree with our investigator – and I'll explain why.

I hope that Miss G won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Miss G should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all of her submissions before arriving at my decision.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Miss G is a regulated consumer credit agreement this Service is able to consider complaints relating to it. SMFL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the goods. So, what I need to consider in this case is whether the car supplied to Miss G was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless SMFL can show otherwise. But, if the fault is identified after the first six months, then it's for Miss G to show the fault was present when she first acquired the car. So, if I thought the car was faulty when Miss G took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask SMFL to put this right.

I don't think there's any dispute that Miss G has experienced problems with the car.

Under the CRA, the supplier has one opportunity to repair issues that could be assumed to have been present or developing at the point of supply. In this case, I'm persuaded that the problems Miss G experienced with the clutch and master clutch; the flywheel; and the other matters she raised with the dealership and with Startline were present or developing at the point of supply – they materialised very soon after Miss G acquired the car. But Miss G agreed to repairs and they appear to have been successful – she says so herself. And I've seen no evidence that these repairs subsequently failed.

Next, I've considered very carefully the later fault Miss G complained about to SMFL:

- the failed power steering

But whilst I accept there is a fault, SMFL would only be responsible for putting things right if I'm satisfied that this issue was present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Miss G first acquired it.

Although more than six months had elapsed before Miss G complained about this fault, I'm pleased to see that SMFL assisted her by recommending that she obtain an independent assessment of the car and they signposted her to two recognised experts in this area. I say this because it's not always easy or clear to the general public how to go about arranging an independent inspection.

The third party instructed by Miss G to carry out an independent inspection of the car is a recognised and trusted expert in this arena. And it's clear that it was provided with an accurate background that clearly set out the issues.

The report says, *"There was still the steering wheel fault on the vehicle whereby we were able to move the steering wheel but only with significant force being applied, indicating there was no power assisted steering"*.

So, I'm satisfied that the fault that Miss G complained of is present and is as she described.

But the simple existence of the fault in itself isn't enough to hold SMFL responsible for repairing the car or accepting its rejection. The legislation says that this will only be the case if the fault was present or developing at the point of supply; the car supplied was not of satisfactory quality.

The independent engineer concluded that:

- *"The rear anti roll bar bushes were cracking and would have been developing at the point of purchase" ... "The condition is an age and usage related defect"*.
- *"The front and rear brake discs were both approximately 50% worn and would have been in a similar condition at the point of purchase and therefore developing and there was heavy blackened discolouration to the offside rear braking disc. This would indicate, most likely, that it was not operating efficiently currently"*.
- *"We would conclude that when taking into account all the repairs that have been carried out there are a significant number of repairs that have been carried out to a commercially acceptable standard, but those faults would have been present and developing at the point of purchase based on the information at hand"*.
- *"There are faults in the form of cracking to the rear anti roll bar bushes and 50% wear to the front and rear brake discs that would have been there at purchase but are wear and deterioration type components that are to be expected when taking into account general operating costs"*.
- *"We are still of the opinion and would conclude that the current steering fault, based on the evidence provided and given the mileage and time since sale, from the engineering evidence alone, would not support that this defect was present and developing at the point of purchase"*.

In conclusion, I've seen no evidence of failed repairs - in fact the independent engineer says that the repairs have been carried out to a commercially acceptable standard - or of any outstanding issues or faults that were present or developing at the point of supply.

Because the *current* fault with the car – the failed power steering – was neither present nor developing at the point of supply, I can't hold SMFL liable for this, and I can't instruct it to repair or accept rejection of the car.

Taking into account all the evidence, I can't uphold this complaint. I know Miss G will be disappointed with this decision, but I hope she understands why I've reached the conclusions that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 15 August 2025.

Andrew Macnamara  
**Ombudsman**