

The complaint

Mr M complains about the quality of a car supplied to him on finance by Toyota Financial Services (UK) PLC trading as Redline Financial Services ('TF').

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.

Mr M entered a hire purchase agreement with TF in Nov 2022. He says that he has had multiple issues with the car since supply and it has been in and out of the garage/dealership.

Mr M says the car is currently not able to be driven and is off road with a fault with the electrics. He says the faults started in January 2023 – two months after he was supplied the car. He says the main and still current issue is the car will not turn on, the engine won't start., car won't lock and unlock and the dashboard screens do not come on.

Mr M wants to reject the car and complained to TF. It responded in September 2024 to say that due to the time that had elapsed since sale it was unlikely that the issues experienced now were evident at the point of sale. It said the onus was on Mr M to show this – and that he could get an independent inspection to do so.

The matter was escalated to this service. Our investigator did not uphold it so Mr M has asked for an ombudsman to make 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. TF is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory".

The Consumer Rights Act 2015 says 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 Consumer Rights Act 2015 ('CRA from now on') 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 can be aspects of the quality of goods.

TF supplied Mr M with a second-hand car that was around six and a half years old and had done around 70,800 miles at the point of supply. It is fair to say that in these circumstances (particularly noting the mileage) 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 car was priced at around £21,000 which is still a notable amount of money so there is still a reasonable expectation as to quality – however, I do have to take into account that this was notably less than what a new or newer model with less miles would cost.

Mr M has mentioned the early issues he had with the car around two months in. However, there isn't persuasive evidence that these would render the car of unsatisfactory quality. It seems that the car had issues identified in a health check that would likely be seen as reasonable wear and tear. Such as worn brake pads and some corrosion. And while it was indicated that there was a rattle from the engine (from suspected timing chain wear) it seemed more an advisory that the chain might need attention in future – rather than a catastrophic failure or urgent issue (marked as amber rather than red). I note that the car covered several thousand miles since with no apparent failure of the chain too. So I don't consider this is clearly rendering a car of this age and mileage of unsatisfactory quality. I also note the rear door latch appeared to have been replaced about this time. But once again this seems to be a wear and tear issue on a car of this age and mileage. There was also recall based work carried out – but that in itself does not persuade me this car was of unsatisfactory quality when sold (and it was addressed at no cost to Mr M in any event).

In summary, the information suggests that the early issues with the car were wear and tear related. I note that in June 2023 the 'gear shift module' was replaced as it had failed. When it was repaired the car had been used by Mr M for several months and had travelled around 3,000 miles in the car bringing the mileage to 75,000. So it could be argued it was reasonably expected wear and tear. However, Mr M has argued it occurred within six months – so without evidence to the contrary it could be considered an inherent issue as it seems a fairly major part. However, even if this were the case – I note it was repaired – which Mr M appeared to accept at the time and would be a reasonable remedy under the CRA.

I note Mr M had several visits to the garage or dealer over time. It isn't clear what all these were for. But I note he had issues with things like air-conditioning needing re-gassing, locks and camera. But these are not clearly inherent faults based on their nature (such as being generally serviceable items like air-conditioning) or when they occurred on an already high mileage car (including after Mr M had been using the car for a year or more).

I note the main issue here is what Mr M describes as an electrical issue preventing the car from being driven. He has more recently provided a list of seven 'trouble codes' which are error codes discovered by a recovery service. I am not an expert but I can't see that any of these clearly show what is wrong with the car now, that these issues are inherent faults – or that they are clearly linked to any of the issues Mr M had complained about in the past. I accept that the car had broken down in October 2023 and Mr M had said the entire car and electrics randomly cut out. At this point he seemed clear that he wanted to reject the car in

his communications to the dealer. But it isn't clear to me what the cause of that was – or why Mr M was able to then continue driving the car taking him up to the later months of 2024 and a total mileage of almost 80,000 when the car broke down more recently. Which is around 10,000 miles since he was supplied the car.

I think the main issue is that it just isn't clear what is currently wrong with the car and how that relates to the inherent quality at the point of supply. There is not clear expert input on what the issues are currently and how they might relate to other things that have needed attention in the past and closer to the point of supply. And considering when Mr M contacted it about the issues and his use of the car to date, along with the overall age and mileage of the car – I don't think TF were acting unreasonably in pointing him toward getting an independent inspection in the first instance before it would consider further action.

So all things considered, I don't think TF acted unfairly in not accepting Mr M's request to reject the car when he complained to it. So I won't be directing it to take action here.

I am sorry to hear about the impact of the issues with the car on Mr M. He has described how deeply it has affected him and even though I am unable to fairly uphold his complaint I wish him well for the future. He may wish to consider his options for taking his dispute further, such as obtaining further evidence (like an independent expert report) and presenting this to TF. Or taking more formal action through a court.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 August 2025.

Mark Lancod
Ombudsman