

The complaint

Mr C complains that the car he acquired financed through a hire purchase agreement with First Response Finance Limited ("FRFL") wasn't of satisfactory quality.

What happened

Mr C acquired a used car financed through a hire purchase agreement with FRFL he signed on 3 May 2024.

In or around October 2024 Mr C had the car inspected by a third-party garage, T, in order to inspect the wet cam belt system. The technician advised the car had been subjected to an incomplete repair and the cam belt should have been replaced. He said evidence suggested the cam belt not being replaced had *"caused oil pick up being locked with belt particles before Mr C acquired the car."* He advised immediate belt replacement as the condition of cam belt could lead to engine failure.

He carried out the repair at a cost of £850. He said he also noticed coolant leaking from the heater hoses and replaced at a cost of an extra £160. Mr C approached FRFL for a refund of the repair costs. FRFL did not agree to refund the costs, but it would offer Mr C a car repair loan which Mr C declined. He brought his complaint to this service.

Our investigator concluded that FRFL had supplied Mr C with a car that was of satisfactory quality. Mr C didn't agree and asked for a decision from an ombudsman.

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.

I realise this will come as a disappointment to Mr C but having done so I won't be asking FRFL to do anything further for the reasons I've outlined below.

I trust Mr C won't take it as a discourtesy that I've condensed the complaint in the way I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint.

In considering what is fair and reasonable I need to have regard to the relevant law and regulations, regulator's rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time. Mr C's hire purchase agreement is a regulated consumer agreement and as such this service can consider complaints relating to it.

FRFL, as the supplier of the car, was responsible for ensuring it was of satisfactory quality when it was supplied to Mr C. Whether or not it was of satisfactory quality at that time will depend on several factors, including the age and mileage of the car and the price that was paid for it. The car was about nine years old, had been driven for 87,831 miles and had a price of £6,350. Satisfactory quality also covers durability which means that the components

within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on several factors.

If I am to decide the car wasn't of satisfactory quality I must be persuaded faults were present at the point of supply. Faults that developed afterwards are not relevant, moreover even if the faults reported were present at the point of supply this will not necessarily mean the car wasn't of satisfactory quality. This is because a second-hand car might be expected to have faults related to reasonable wear and tear.

I'm persuaded there was likely a fault with the car related to the wet cam belt. I say this because I've seen a copy of an email sent by T which indicated an incomplete repair and that the wet cam belt needed replacing. I've also seen an invoice for the replacement wet cambelt and water pump.

However, while I'm persuaded there is a fault I haven't seen sufficient evidence to persuade me it was present or developing at the point of sale and not as a result of reasonable wear and tear. The only evidence I've seen shows there was likely something wrong with the wet cam belt and it needed replacing but there is no further diagnostic inspection to determine the cause or how long the issue had been present, whether it was likely present at the point of delivery and its durability. Without this evidence it wouldn't be fair of me to conclude that the vehicle wasn't of satisfactory quality and that FRFL is responsible for the repair.

Mr C has said FRFL won't refund him the money for the repair due to a conflict of interest – he knows the mechanic who eventually fixed the car. I've looked at the contact notes between FRFL and Mr C. He first contacted FRFL in October to ask for help with the repair. FRFL said it couldn't assess the repair under the Consumer Rights Act 2015. The notes don't detail why but it's possible that's for the same reasons I've outlined above. It told Mr C that if he paid his arrears he might qualify for a Car Repair Assistance Scheme loan.

Mr C called a week later to confirm he'd found a garage to do it at a cheaper price and was known to him personally. He wanted to pay his friend directly and be reimbursed by the loan. I can see that FRFL advised the garage needed to be VAT registered and Mr C's friend's garage wasn't. I'm persuaded the reason FRFL wouldn't take the claim further was due to lack of evidence of the vehicle not being of satisfactory quality. But FRFL did offer a loan for the repair, but the terms of the loan required the payment to go directly to the VAT registered garage that did the repair. So I'm not persuaded FRFL did not uphold the complaint due to a conflict of interest.

I'm sympathetic to the fact this is not the news Mr C would like but I'm satisfied FRFL hasn't done anything wrong, and I won't be asking it to do anything further.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 September 2025.

Maxine Sutton
Ombudsman