

The complaint

Miss S complains that a car she acquired using a hire purchase agreement with Black Horse Limited trading as Land Rover Financial Services ("LRFS") was of unsatisfactory quality.

What happened

In February 2021, Miss S acquired a used car using a hire purchase agreement with LRFS. The car cost £24,500 and had previously travelled around 19,500 miles.

Miss S complained to LRFS in March 2024 about several issues. She was unhappy that the service light on the car came on intermittently, that the car had emitted smoke in the first couple of months after she acquired it, and was also unhappy that the engine capacity was stated as 2000cc when it was in fact 1999cc. Miss S also mentioned she'd been told more recently that there were metal filings in the engine which indicated a potential manufacturing issue.

LRFS didn't uphold Miss S's complaint. They said the description of the car was correct and that they'd been told the car was overdue a service by 463 days which was probably why the service light was coming on. LRFS also said they'd been told by an approved manufacturer's garage that there were metal filings present during a MOT and service in February 2024 which meant the car likely needed a new engine. But they felt that this was likely caused by Miss S not servicing the car in accordance with the manufacturer's schedule.

In July 2024, the car broke down. The RAC attended to it and said the engine had seized/locked and that Miss S needed to recover the car to an approved garage. The car was then collected by LRFS's collection agents in September 2024 and was sold by LRFS. The hire purchase agreement was shown as settled in November 2024.

Miss S referred her complaint to our service. Our investigator didn't recommend that LRFS needed to do anything. In summary, he felt there wasn't enough evidence to show the car had been of unsatisfactory quality when it was supplied to Miss S. More specifically, he felt that the faults with the car might have been down to the car not being serviced.

Miss S didn't agree with our investigator. As well as disputing his view on the quality of the car, she mentioned there was a mileage discrepancy and that she hadn't been correctly informed about which dealership had supplied the car.

As the matter remains unresolved, Miss S's 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.

Firstly, I'm very aware that I'm summarised this complaint in far less detail than it may merit. No discourtesy is intended by this. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this and reflect the informal nature of our service as a free

alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. It's because I'm satisfied I don't need to comment on every individual argument or event to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Secondly, I would add that where the information I have is incomplete, unclear or contradictory (as some of it is here), I've based my decision on the balance of probabilities.

As the agreement entered by Miss S with LRFS was a regulated consumer credit agreement, this service is able to consider complaints relating to it.

Was the car of satisfactory quality when it was supplied to Miss S?

The main thrust of Miss S's complaint is about the condition of the car; more specifically its quality when it was supplied to her. LRFS was the supplier of the car under this type of finance agreement and is responsible for the quality of it when it was supplied to Miss S, in accordance with the requirements under the Consumer Rights Act 2015 ("CRA"). This sets out that satisfactory quality is what a 'reasonable person' would expect, considering amongst other things, the age and price of the car. If it was found the car wasn't of satisfactory quality at the time it was supplied to Miss S, LRFS would be liable for this and any appropriate remedy due to her.

The CRA though isn't intended to address general maintenance, servicing or wear and tear items that require replacing because of use and/or age. So, LRFS wouldn't be responsible for the general upkeep and servicing of the car, nor was it responsible for repairs required if the car wasn't maintained correctly while in Miss S's possession

There's no dispute there were various issues with the car during the time Miss S had possession of it. I'll briefly list the issues that were identified and for which evidence has been provided:

- April 2021 – Diesel Particulate Filter (DPF) light came on and smoke emitted from the exhaust when the car was reversing. Miss S was advised the smoke was condensation and not indicative of a fault.
- March 2022- wheel alignment and Ad-blue top-up required.
- July 2022 – DPF blocked and warning light on in relation to a regeneration fault.
- February 2024 – dealership confirmed they'd found metal filings in the oil and oil filters.
- March 2024 – Miss S was advised that the car needed a replacement engine.
- June 2024 – camshaft position sensor/fault code related to Engine Management Light. The comment from the garage was that this was an intermittent fault and that a new part would be needed if it persisted (although it didn't say what part was required and why).
- July 2024 – two reports from the RAC. The first report said 'dtc found' following the engine light being on and that there were possible issues with the NOx control monitoring system and the cambelt position sensor. The second report said the car wouldn't start as the engine had seized/locked.

In my view, there's no indication of a fault that might show the car wasn't of satisfactory

quality, until February 2024 when the dealership found metal filings in the oil and oil filters. That could in theory have occurred because of a historic or developing fault with a key component of the car. I don't think the issues prior to that time were an indication of a satisfactory quality issue though. I say this because the person who inspected the car in April 2021 didn't say there was a fault which led to the smoke being emitted from the exhaust. And things like wheel re-alignment and topping up of Ad-blue are normal maintenance issues expected during car ownership. While the DPF was blocked in July 2022, there's no indication of the cause of this. For example, it could be that the car hadn't been used in such a way that meant the DPF was regenerating correctly.

I've considered the faults that occurred from February 2024 onwards. I note though from looking at the online service history of the car that the car wasn't serviced in 2021, 2022 or 2023. And it doesn't appear that the dealership saw the car from July 2022 onwards. Bearing in mind there isn't much evidence of what caused the problems with the car in 2024, such as whether there were underlying, unresolved faults with the car or that these were caused because the car hadn't been maintained correctly, I can't rule out the possibility that the lack of servicing of the car contributed to those faults occurring, and which ultimately led to the car needing a new engine.

I realise that the car had only travelled around 30,000 miles in total by the time it broke down. So, Miss S hadn't put a lot of mileage on it. And I also appreciate that it's unlikely that every car is serviced exactly when it should be according to the manufacturer's recommendations. That's often due to availability at the garage and it's well-known and accepted that a slightly late service is still acceptable for the manufacturer and broader industry when considering whether the car has a full or partial service history.

However, as I've said above, there was a significant gap between services, and I've not seen sufficient evidence that Miss S was told that one wasn't required. Because of this, and because of the lack of evidence explaining what caused the faults to occur to the car, I don't have enough evidence to show the car wasn't of satisfactory quality when it was supplied to Miss S.

Other complaint points

Miss S raised further complaint points to LRFS and to our investigator. She mentioned to LRFS that the capacity was shown as 2000cc rather than 1999cc. I don't find though that this was misrepresented to Miss S. LRFS said this was an accurate description of the car, and I've not seen sufficient evidence to show otherwise. It could simply be that the cc was rounded up by 1cc – that, if true, seems an insignificant change to me.

Miss S mentioned to our investigator that there was a mileage discrepancy on the car. As far as I can see, this isn't something that LRFS has been asked to investigate. So, I won't be commenting on this in my decision. If this is something that Miss S wishes to complain about, she will need to refer this to LRFS initially.

I note also that Miss S mentioned she wasn't given clear information about the dealership who supplied the car, as she saw reference to another named company by LRFS that she had no knowledge of. It's possible that Miss S wasn't told who the relevant parties were in respect of the brokering of her finance agreement and the dealership who supplied the car to LRFS. But I don't see what difference that would have made, even if that were true. Ultimately, Miss S was given the car she wanted to acquire.

My final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 19 September 2025.

Daniel Picken
Ombudsman