

## The complaint

Mr S complains that a new caravan supplied to him under a hire purchase agreement (“HP”) he entered into with Black Horse Limited (“BHL”), wasn’t of satisfactory quality.

## What happened

Mr S acquired a new caravan in March 2023 under a HP agreement with BHL. The total cash price including VAT of the caravan was £32,995 and Mr S was to pay 120 monthly instalments of £290.48.

Shortly after acquiring the caravan Mr S noticed there were several issues and complained to BHL. To summarise, Mr S has made several complaints to BHL about the quality of the caravan, BHL have looked into things and upheld them in part, as well as offering compensation for the distress and inconvenience caused. In June 2023, Mr S complained about 14 issues, of which BHL upheld problems about:

- the key fob
- bracket to condensation pipe snapped
- wire rack and shelf (in kitchen).
- pump

It said the key fob should be covered by the manufacturer’s warranty and the fridge repair, including the wire rack and shelf needed to be completed with the correct permanent repair. Mr S had also informed it that he had undertaken repairs to an external pump which cost him £79.85. Given that this occurred within four months of Mr S having ownership of the caravan, BHL offered to support the repair and reimburse Mr S for this. Overall, it offered a payment of £282.85 which was made up of £199 for the trouble and upset caused and £79.85 plus interest for the replacement pump.

BHL instructed an independent inspection of the caravan in July 2023, in conclusion the report found some issues complained of were present and required repair. Subsequently later that month Mr S complained again, following the independent inspection BHL upheld the complaint in part. It upheld issues about:

- the hitch
- ATC fitman light
- diamondbrite

It said these issues had occurred shortly after sale and are not things Mr S would’ve expected of a caravan supplied new at the point of sale. To help put this right, it offered to make a payment of £100 to the account Mr S made his monthly payments from. It also offered repairs for the issues it upheld. It didn’t uphold issues about the automatic trailer control and motor mover as it said the supplying dealer confirmed the automatic trailer control had no fault and the motor mover was correctly fitted.

In September 2023 Mr S raised a further complaint. BHL upheld part of the complaint about:

- crack in the welding.
- the combined blind/flyscreen being stuck.
- hitch paint flaking.

It explained to Mr S that he does not have the right to reject the goods past 30 days from sale, but it would support repairs for the issues upheld as a fair and reasonable solution. It also offered £75 for the distress and convenience caused. There were a number of issues it didn't uphold and said it is normal when buying a new caravan that there would be snagging problems which the retailer could resolve.

Unfortunately, despite multiple repairs undertaken, issues continued to evolve. Mr S brought his complaint to our Service and one of our Investigator's looked into things. Since referring the complaint to us, BHL had revised its offer, so in the first instance our Investigator put this to Mr S, who at the time wanted repairs carried out in order to put things right.

Following this Mr S advised there were further issues that had occurred and so he wasn't willing to accept the offer until these had been put right. There was a lot of back and forth between all parties and further complaints were raised. For ease and clarity, BHL consented to this Service considering the complaints collectively.

Our Investigator continued to look into things and as time went on, due to further issues arising with the caravan, Mr S wanted to reject the caravan, something our Investigator made clear he would've initially recommended, had Mr S wanted this. And so, our Investigator suggested amongst other things that BHL allow Mr S to reject the caravan.

I issued a provisional decision on 7 March 2025, where I explained my intention to uphold that complaint. In that decision I said:

*Where evidence is incomplete or inconclusive (as some of it is here), I've reached my decision on the balance of probabilities, deciding what I consider most likely to have happened in light of the evidence that is available and the circumstances of this complaint as a whole.*

*Having done so, I've reached the same overall conclusions as our Investigator and for broadly the same reasons. I know this will come as a disappointment to BHL, but I intend to uphold the complaint and I think Mr S should be able to reject the caravan.*

*There are substantial submissions on file. However, I will only be commenting on the evidence I consider key. It is not meant as a discourtesy but reflects my role resolving disputes informally. There have been multiple issues with the caravan, only some of which I've outlined above. The purpose of my decision isn't to address every point raised or to scrutinise every issue and repair carried out, but to set out my conclusions and reasons for reaching them.*

*The HP agreement entered by Mr S is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. BHL 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 Mr S entered. Because BHL supplied the caravan under a HP agreement, there's an implied term that it is of satisfactory quality at the point of supply. Vehicles 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 the price paid.*

*The CRA also says that 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 vehicles, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. Here, I'll consider that the caravan Mr S got was brand new. I think a reasonable person would have very high standards for the caravan and would expect it to be free from any issues. I think Mr S was entitled to expect that his caravan would be free from faults and that it would be of satisfactory quality. Very soon after he bought the caravan there were problems and new issues have continued to arise during the course of the last two years. I appreciate BHL has attempted to resolve problems along the way by repairing them but based on what I've seen in the expert report and from further repairs carried out there have been a considerable number of minor defects as well as more serious ones.*

*In this case, I don't think the caravan was of satisfactory quality. Given that Mr S experienced issues soon after acquiring the caravan and BHL said from the outset, there were problems which had occurred so early on it didn't think it was right that Mr S experienced issues so soon. I don't think a reasonable person would've expected the issues confirmed in the independent report and that BHL has accepted liability for, to have developed as quickly as they did. So, I'm satisfied this means the caravan wasn't of satisfactory quality.*

*What I need to focus on in this decision is what is fair and reasonable to put the acknowledged issues right. It's not disputed that BHL has accepted liability for some of the issues raised, it has supported repairs, offered reimbursement for other repairs and offered compensation for the trouble and upset caused. From the information I have there have been about 33 separate issues that Mr S has raised about his caravan, the supplying dealership carried out repairs on three occasions and although some issues have been rectified, further issues have materialised.*

*There have been a whole range of issues including but not limited to, the hitch ageing prematurely, a water pipe needing replacing and the bracket to the condensation pipe snapped. These are just some of the issues reported and upheld by BHL. These were fundamental problems with the finish and durability of the caravan, and I think most reasonable people would expect those issues not to have been present in a brand-new caravan.*

*I'd like to highlight one particular issue about the damper hitch. This was identified six months after the agreement began, meaning it falls on Mr S to prove that the fault was present or developing at the time of supply. There's no clear evidence to support this, especially since Mr S has been able to tow the caravan since then. BHL consulted the supplying dealer, who advised that Mr S bring the caravan in for inspection. However, Mr S was unable to do so due to the safety and legal concerns related to towing with a faulty hitch. Despite this, BHL did not uphold this part of Mr S's complaint. Given the typical lifespan of such components there are valid durability concerns-particularly since the caravan was brand new and had been in use for just over a year. A reasonable person would not have expected a critical part essential for safe towing to fail so soon.*

*I understand BHL offered as a goodwill gesture to reimburse Mr S for the repairs undertaken to put right this issue but as I said above, this was a fundamental issue with the durability of the caravan.*

*I've thought about BHL's offer to carry out further repairs and whether it's fair and reasonable to give it the opportunity to do so. But I don't think it's reasonable here. Overall, I think Mr S*

*has shown a great deal of patience and worked with BHL to get these problems resolved. And I think in this case things have come to a point where Mr S has lost confidence in the caravan. That doesn't seem unreasonable to me bearing in mind the background to this case and the number of issues he's experienced since acquiring the caravan.*

*BHL told us that it's not had the opportunity it's allowed to investigate Mr S' more recent concerns and although they have not formed part of my decision, I do think they help to bring things into focus. I think it's fair and reasonable in this case to say it's now almost two years after the point of sale, Mr S is entitled to move on with his life and put this unfortunate series of events behind him. I consider Mr S has suffered distress and inconvenience in spending time and effort and some cost in attempting to get the caravan repaired on multiple occasions and in bringing his complaint.*

*During the last two years he's been engaged in discussion with BHL, facilitated inspections of the caravan, has waited for repairs, and been involved with the complaints process heavily. So, I think things have reached a point where the relationship has broken down and it's in everyone's interests to move on.*

*While I acknowledge that BHL addressed complaints within a reasonable timeframe, I believe further action could have been taken earlier. The right to repair was exhausted early on, yet additional issues continued to arise. BHL could've arranged for a further inspection, as suggested by the independent inspector to bring matters into focus. Or it could've explored the right to reject much sooner.*

*Additionally, I must consider the numerous occasions Mr S had to return the caravan for repairs. For example, amongst other things, each trip to the supplying dealer took around two hours. This involved Mr S having to unload the caravan of personal possessions and remove it from storage. There is also the inconvenience of arranging alternative repairs, such as fixing the pump (whilst Mr S was on holiday) and hitch. Much of this could have been avoided if BHL had provided a caravan of satisfactory quality. Because of this I will be recommending BHL pay Mr S £800 for the distress and inconvenience caused in total.*

*Mr S explains that due to the ongoing issues with his caravan, he has suffered financial loss from repair costs, experienced significant inconvenience from repeatedly returning the caravan to the dealership and endured a loss of enjoyment and restricted use. While many of the individual issues may not have rendered the caravan unusable, and I acknowledge that he has been able to use it at times, the cumulative impact has undoubtedly affected him.*

*There have also been periods when he was unable to use the caravan at all, such as when it was undergoing repairs or deemed unsafe due to concerns about the hitch. Considering the defects and again accepting they will have been disappointing; these defects have not prevented Mr S from using the caravan for extended periods of time. I accept the caravan went into repairs on multiple occasions and for this I think a refund of one monthly payment is fair and reasonable. I think it's fair and reasonable for Mr S to pay for the use he has had of the caravan, and I do not therefore consider BHL should be required to refund more than one monthly payment Mr S made to the HP agreement.*

*Mr S intended to use the caravan throughout the caravan seasons, but these issues have significantly limited his ability to do so. Mr S had reasonably expected to have a new fault free caravan to enjoy, but this hasn't been the case since inception. I think the impact these issues have had on him, and his loss of enjoyment have been significant. For example, the independent inspection identified there was a problem with the bed squeaking, it said:*

*"The noise from the fixed bed is enough to keep you awake as every time that you move it makes a noise. This will require some modification to the caravan to prevent the rear wall*

from moving”.

*I accept that this in itself wouldn't mean Mr S was unable to use his caravan, but I do think it would've impacted his enjoyment. I can see this issue was assessed each time the caravan went in for repair, so it went unresolved for a considerable time. In assessing what is fair and reasonable in calculating his loss of enjoyment, I think that a fair approach would be to refund 30% of each monthly payment from the inception of the agreement to the date of settlement.*

*I also think it's fair for BHL to refund Mr S for the additional extras he bought at the point of sale. To my understanding none of these things will be reusable and so not something he can use on a different caravan. If the caravan had been of satisfactory quality, he'd have been able to use them but as he's not going to be keeping the caravan he's out of pocket for this as well. So, I think this is a consequential loss as a result of the caravan being of unsatisfactory quality.*

*For all the reasons I've explained it's clear that this situation has caused Mr S and his family a lot of distress and inconvenience. BHL has acknowledged this in its final response letters. I bear in mind that Mr S is going to be in a position to reject the caravan as a result of my decision, but I still think that the compensation of £800 is justified here to reflect the level of distress and inconvenience caused. I also think the fairest way to put things right is to allow Mr S to reject the caravan.*

### **Putting things right**

*BHL needs to put things right here by:*

- *Arrange for the collection of the caravan and cancel the remaining finance at no additional cost to Mr S.*
- *Refund £12,700 part exchange value of his previous caravan.*
- *Refunding the deposit, adding simple interest at the rate of 8% per annum, from the date Mr S paid it to the date of settlement.*
- *And the £1300 paid by card adding simple interest at the rate of 8% per annum from the date Mr S paid it to the date of settlement.*
- *Reimburse Mr S the cost of the pump and hitch damper adding simple interest at the rate of 8% per annum from the date Mr S paid it to the date of settlement (if not already paid).*
- *Pay Mr S a refund of 30% of each monthly payment from the point of inception to the date of settlement for the loss of enjoyment. adding simple interest at the rate of 8% per annum from the date Mr S paid it to the date of settlement.*
- *Pay Mr S a refund of one monthly installment for the loss of use adding simple interest at the rate of 8% per annum from the date Mr S paid it to the date of settlement.*
- *Refund Mr S £5,340 for the cost of the additional extras purchased at the point of sale. adding simple interest at the rate of 8% per annum from the date Mr S paid it to the date of settlement.*
- *Pay Mr S £800 for the distress and inconvenience he has experienced in total.*

### **Responses**

Mr S agreed with my uphold decision.

BHL provided some additional information and queried the redress. It asked for clarification of Mr S' part exchange and requested details about the additional extras Mr S purchased. BHL requested that Mr S return the caravan with the additional extras intact.

Mr S has said he will return the caravan with the additional extras intact (in so far as possible); this will include but not limited to:

- Spare wheel carrier brackets
- Trauma A/C unit
- Solar

### **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've thought about what BHL has said and so I have revised how it should put things right:

Black Horse Limited should put things right by:

- Arranging for the collection of the caravan and cancel the remaining finance at no additional cost to Mr S.
- Refund the deposit of £8,660.
- Reimburse Mr S the cost of the pump.
- Pay Mr S a refund of 30% of each monthly payment from the point of inception to the date of settlement for the loss of enjoyment.
- Pay Mr S a refund of one monthly installment for the loss of use.
- Refund Mr S £5,340 for the cost of the additional extras purchased at the point of sale (as set out in my findings above)
- Pay 8% simple yearly interest on all refunded amounts from the date of payments made to the date of settlement.
- Pay Mr S £800 for the distress and inconvenience he has experienced in total.

### **My final decision**

For the reasons I've explained I uphold this complaint and direct Black Horse Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 23 April 2025.

Rajvinder Pnaiser  
**Ombudsman**