

The complaint

Mr P complains about the quality of a used car he acquired through a hire purchase agreement with Advantage Finance Ltd ('Advantage'). Mr P says that he had problems with the car going into limp mode shortly after he acquired it. He says Advantage has ignored that the vehicle was faulty when it was sold to him and it hasn't properly assisted him with his complaint.

What happened

Mr P's complaint is about the quality of a car he acquired in January 2024. The car was used, and it was first registered in June 2016. So, it was nearly eight years old when Mr P received it. It had covered 113,360 miles.

Mr P acquired the car using a hire purchase agreement that started in January 2024. The vehicle had a retail price of £8,495. All of this was financed. This agreement was to be repaid through 60 monthly instalments. There were 59 instalments of £276.20 followed by a final repayment of £476.20. If Mr P made repayments in line with the credit agreement, he would need to repay a total of £16,772.

Mr P has complained about the quality of the car. Below is a summary of the issues complained of by Mr P and the investigation and repair work that has been carried out by the dealership, the broker and Advantage. There is also an independent report. This is alongside what has happened in respect of the complaint.

In April 2024 Mr P contacted Advantage to say that the car had a squeak in the fan belt area, and this was being investigated as it appeared to be dependent on weather conditions.

In May 2024 Mr P contacted Advantage to say the gears were sticking and a gearbox oil change was authorised. Mr P says this did not rectify the fault.

In May 2024 Mr P said that the vehicle was having power delivery problems, and this was also weather dependent.

Mr P raised the issues he has been having with the car to the dealership, the broker and Advantage. The crux of his ongoing complaint is that he says the vehicle is unusable in any form of hot weather and that it has broken down about 50 times. He said he has to pull over, turn off the vehicle and then drive with minimal power. He says the vehicle is going into limp mode frequently.

The broker arranged for the car to be inspected by an independent reporting business. The report investigated the power delivery problems the car was having in hot weather. The report was completed in September 2024, and I've noted that it was conducted in warmer weather.

The reports main conclusions were:

‘ ... When road testing the vehicle, the engine and gearbox performance appeared to be satisfactory. There were no warning lights and no lack of engine performance noted.

At this stage, we would consider, with the elapsed time and mileage covered, the faults identified, would not have been present at the time of sale.

We note from the information provided in our instructions that the vehicle has covered 7548 miles since hire to the date of our inspection ...’

There were two fault codes found that the report said needed further investigation.

Advantage went on to consider this complaint and it didn't uphold it. It said the independent report hadn't found any significant problems with the car and it didn't think the dealership should repair it. Mr P didn't agree with this and brought this complaint to the Financial Ombudsman Service.

Our Investigator didn't uphold Mr P's complaint. She said that as the independent report had been unable to identify the faults with the car then she wasn't persuaded that it wasn't of satisfactory quality at the time of supply.

Mr P didn't agree with the Investigator. He said that Advantage hadn't considered his complaint properly it has *'buried it's head in the sand'*. And he said the fault codes found in the independent report hadn't been properly investigated.

There was some further correspondence at this point and Mr P had the car looked at by a garage in respect of the fault codes which he thought related to the Diesel Particulate Filter ('DPF') system. The invoice from the garage that looked at the car shows that the faults did relate to the DPF, and it was cleaned at this time.

Our Investigator considered the further issues that Mr P had raised, including the fault codes, but still thought it was reasonable to rely on the independent report that showed the car was working, and was likely of satisfactory quality at the time of supply.

There was some further correspondence, but no new issues were raised. Mr P maintains that Advantage has not properly considered his complaint and the problems he has had with the car. Because Mr P didn't agree, this matter has been passed to me 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.

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 was good industry practice at the relevant time.

The agreement in this case is a regulated hire purchase agreement – so we can consider a complaint relating to it. Advantage as the supplier of the goods under this type of agreement is responsible for a complaint about their quality.

The Consumer Rights Act 2015 ('CRA') is relevant 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'*.

To be considered 'satisfactory', the goods would need to meet the standard that a reasonable person would consider satisfactory – considering 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 consider might include things like the age and mileage at the time of sale and the car's history.

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 this.

This car was about eight years old when Mr P acquired it and it had travelled around 113,000 miles. I think a reasonable person would accept that such a vehicle would probably have some parts that are worn and would need replacing sooner or later – which is reflected in the lower price paid in comparison to a new vehicle.

But there's also a reasonable expectation that a vehicle will be relatively durable - taking into account its age, price and mileage at the outset. So even though the vehicle wasn't new, Mr P should have been able to use it for a reasonable period before it needed significant work.

Mr P has consistently said that he has had power delivery problems with the car and that it was producing low power at times. This has led to him needing to stop and restart the car and then drive on again, sometimes still with lower power output.

But the car has been looked at by an independent reporting company and it wasn't able to replicate the problems with it, despite the test being performed at the temperatures where Mr P said the faults occurred. And the report concluded that the car was likely of satisfactory quality. So, it does seem reasonable to say that the problems, if there are any, are intermittent.

And Mr P has provided evidence of some work that was completed on the car's DPF. The invoice from the garage shows that the DPF was full. It's not certain that the DPF being full was the cause, or contributed to, the car's power delivery problems. But this could be the case, as Mr P has acknowledged.

DPF repair and maintenance is common on cars of this age and is, I think, attributable to general wear and tear. I don't think it's significant evidence of a fault with the car and I don't believe it's reasonable to say that the car wasn't of satisfactory quality due to the DPF issues. And the DPF needing maintenance could be cause of the power problems, rather than a fault with the car.

And whilst Mr P has said he had problems with the car he has been able to use it. As the independent reports said he has covered over 7,500 miles in about nine months before the independent report was completed.

I think the overriding factor here is that this was a used car that had travelled a significant number of miles before Mr P acquired it. So, it was always going to need some repairs and maintenance over time, as it did. I think the work that the car needed was reasonable for a car of this age and prior usage.

So, I can't say it's likely that any faults were apparent or developing at the time the car was supplied to Mr P. It follows that, having looked at everything, I don't think there is enough for me to say that the car was not of satisfactory quality when it was supplied. I don't think that Advantage should be responsible for putting the faults with the car right or paying any compensation.

Mr P thinks that Advantage didn't look at his complaint properly. And he has noted that he was passed between the dealership and the broker several times and no one seemed to take responsibility for the complaint. But whilst Advantages response was relatively brief, it has done what it needed to, and the car has been looked at by an independent reporting company. And Mr P has had the opportunity to have his complaint considered at the Financial Ombudsman Service. So, I'm not upholding Mr P's complaint about Advantages complaint handling.

My final decision

For the reasons set out above, I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 September 2025.

Andy Burlinson
Ombudsman