

The complaint

Mr B complains that a car that was supplied to him under a hire purchase agreement with Specialist Motor Finance Limited wasn't of satisfactory quality.

What happened

I issued a provisional decision on this complaint last month in which I described what had happened as follows:

"A used car was supplied to Mr B under a hire purchase agreement with Specialist Motor Finance that he electronically signed in August 2022. The price of the car was £8,986 and Mr B agreed to make 59 monthly payments of £228.96 and a final payment of £238.96 to Specialist Motor Finance.

The car was damaged in an accident in May 2023 and, when the accident damage was being repaired, the garage advised Mr B that the car had at some point sustained a substantial impact to the right front corner causing chassis damage which was clearly visible from inside the engine bay. Mr B complained to Specialist Motor Finance in January 2024 about the structural damage to the car and he provided a report from an independent expert who had inspected the car. It didn't uphold his complaint because it said that the independent expert had been unable to determine, with certainty, that the issues would have been present at the point of sale.

Mr B wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who, having considered everything, recommended that it should be upheld. She said that it seemed likely that there was a fault with the car and she didn't think that it was of satisfactory quality at the point of supply so she recommended that Specialist Motor Finance should accept Mr B's rejection of the car. Specialist Motor Finance hasn't provided a substantive response to the investigator's recommendation so I've been asked to issue a decision on Mr B's complaint".

Provisional decision

I set out my provisional findings in that provisional decision. I said:

"Specialist Motor Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr B. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr B was more than eight years old, had been driven for about 73,000 miles and had a price of £8,986. 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 a number of factors.

The car was supplied to Mr B in August 2022 and I've seen no evidence to show that he complained about any issues with the car until after the accident in May 2023. The garage that was repairing the accident damage said that the car had at some point sustained a substantial impact to the right front corner causing chassis damage which was clearly visible from inside the engine bay. The garage's damage assessment records the car's mileage at that time as 80,239 miles, so about 7,000 miles more than when the car was supplied to Mr B. The car passed an MOT test in July 2023 when its mileage was recorded as 81,399 miles and Mr B complained to Specialist Motor Finance about the structural damage in August 2023 but it didn't uphold his complaint.

Mr B paid £264 for an independent expert to inspect the car in January 2024. The inspection report records the car's mileage as 85,917 miles, so more than 12,000 miles more than when the car was supplied to Mr B and more than 5,000 miles more than when the car was in the accident. The inspection report says:

"We can conclude that there is evidence to suggest the vehicle has been subject to previous repairs. The additional damage found, apart from the front bumper, is considered to be pre-existing and not consistent with the incident damage which has occurred to the front bumper. It will most likely be appreciated that the mileage the vehicle has covered since the point of sale makes it difficult for us to make the claim from an engineering perspective that the conditions were present at the point of sale, we noted some ageing apparent which would suggest these were not very recent. However, the customer should be able to provide a statement for the Courts to indicate that no other repairs have been completed on the vehicle as far as he is aware . If that can be provided then the only logical conclusion that can be reached is the condition was present at sale".

Mr B provided evidence to this service that he says shows that no other works were carried out on the car and the investigator was persuaded that Mr B's complaint should be upheld. Since then, the car passed an MOT test in July 2024 when its mileage was recorded as 88,998 miles and Mr B requested that he be given sufficient notice by Specialist Motor Finance before it takes the car away as he'll require a car for work travel and taking the car away at short notice will leave him without a car. When the investigator revised her findings to take account of the use that Mr B had had from the car, he said that there was little to no value in him continuing to pursue the rejection as he would be left with no money and no car and be over £6,000 out of pocket, but he then said that he did want to reject the car. Mr B has confirmed that the car's mileage is now 91,583 miles.

Even if the structural damage identified by the repairing garage and reported on by the independent expert was present when the car was supplied to Mr B, that doesn't mean that the car wasn't of satisfactory quality at that time. The car was more than eight years old and had been driven for about 73,000 miles when it was supplied to Mr B, he's been able to use the car since then and has driven about 18,500 miles in it, and the car passed MOT tests in July 2023 and July 2024. I'm not persuaded that Mr B would have been able to use the car for more than two and a half years and to drive 18,500 miles in it if it hadn't been of satisfactory quality when it was supplied to him.

I'm not persuaded that it would be fair or reasonable in these circumstances for me to require Specialist Motor Finance to allow Mr B to reject the car, to reimburse him for any of the costs that he's incurred, to pay him any compensation or to take any other action in response to his complaint".

Subject to any further comments or evidence that I received from Mr B and Specialist Motor Finance, my provisional decision was that I didn't intend to uphold this complaint. Mr B has provided a detailed response to my provisional decision. He says, in summary and amongst other things, that:

- it's agreed by all parties that the car has at some point sustained a substantial impact to the right front corner causing chassis damage which was clearly visible from inside the engine bay which wasn't caused by his May 2023 accident and had occurred before then;
- an MOT certificate doesn't mean that the car doesn't have structural damage and the "substantial chassis damage" wasn't declared at the point of sale and seriously devalues the car despite him being able to drive it;
- he had no other means of transport and was left with no choice but to drive the car to work;
- he complained to the dealer within one week of the car being supplied to him about a flooded boot, squeaky wheels and crunching noises from the front left of the car; and
- he had to pay for extensive repairs to keep the car running and there were multiple trips back to the dealer to fix a leaky boot and other issues which he now believes were caused by the damage to the chassis.

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.

Mr B was in a minor accident in the car in May 2023. The accident damage was being repaired by a garage and it said in an assessment report: *"This vehicle has, at some point sustained a substantial impact to the r/f corner causing chassis damage ... which is still clearly visible from inside the engine bay. There seems to have been some attempt to mask the issue with no attempt to re-align the chassis"*; and it quoted £3,769.91 for the required repairs.

Mr B complained to Specialist Motor Finance about the structural damage in August 2023 but it didn't uphold his complaint. Mr B paid £264 for an independent expert to inspect the car in January 2024. The inspection report says:

"In our opinion , we can confirm there is evidence of previous repairs being undertaken with the nearside front and offside front headlights being misaligned, damage to the nearside inner headlamp bracket, the airflow grille loom being displaced and damaged, the top cross-member being distorted, creased and cracked on the offside area, and several cracks to the main cracked and distorted area. The offside front top engine mount was displaced , the alternator was excessively close to the chassis leg and the bonnet nuts displayed disturbance marks with several other bolts displaying disturbance marks on the top cross-member. At this stage we consider the additional damage found (excluding the front bumper damage, which we consider to be consistent with the low-speed impact as advised), to be pre-existing and not consistent with the recent impact damage to the front bumper. We informed the customer not to drive the vehicle in its current condition".

Mr B did continue to drive the car as he says that he had no other means of transport and had no choice but to drive the car to work. The car's mileage was recorded on the assessment report as 80,239 miles and on the inspection report as 85,917 miles and Mr B recently confirmed that the car's mileage was 91,583 miles so, since August 2022, Mr B has

been able to drive more than 18,500 miles in the car.

The car passed MOT tests in July 2023 and July 2024 which shows that it was roadworthy at those times. Although Mr B says that he complained to the dealer within one week of the car being supplied to him about a flooded boot, squeaky wheels and crunching noises from the front left of the car and that he had to pay for extensive repairs to keep the car running and that there were multiple trips back to the dealer to fix a leaky boot and other issues, the structural damage to the chassis wasn't identified until after the May 2023 accident, about nine months after the car was supplied to him and in that time he was able to drive about 7,000 miles in the car. So Mr B was able to drive the car for about 7,000 miles over more than nine months without being aware that there was any structural damage to the car. The car also passed an MOT test, about two months after the minor accident and the only advisories that were noted were about deterioration of the front registration plate and a tyre being worn. There was no mention of any issues that would have caused the car to not be safe to drive or to any of the issues that were identified on the inspection report.

The car failed an MOT test in July 2024 because the nearside front lower suspension arm ball joint was excessively worn and because of an issue with the nearside front drive shaft joint but again there was no mention of any issues that would have caused the car to not be safe to drive or to any of the issues that were identified on the inspection report.

I've seen no evidence to show that the dealer or Specialist Motor Finance were aware of the structural damage when the car was supplied to Mr B and, even if either of them was aware of the damage, they wouldn't have been required to declare the damage to Mr B unless he asked about it. Mr B is likely to have had the opportunity to inspect the car before it was supplied to him (and even if he didn't, he would have been able to inspect it after he received it) but he didn't notice any structural damage and I'm not persuaded that there's enough evidence to show that the car was misrepresented to him by the dealer or Specialist Motor Finance.

Having carefully considered all of the evidence that Mr B has provided, I'm not persuaded that it would be fair or reasonable in these circumstances for me to require Specialist Motor Finance to allow him to reject the car, to reimburse him for any of the costs that he's incurred, to pay him any compensation or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 June 2025.

Jarrold Hastings
Ombudsman