

## **The complaint**

Mr E complains about the quality of a used car he acquired through a personal contract purchase with Bank of Scotland plc trading as Black Horse ('Black Horse'). Mr E says the car wasn't of satisfactory quality as it has broken down. This is due to a fault that was present when the car was sold to him.

## **What happened**

Mr E's complaint is about the quality of a used car he acquired in March 2023. The car was used, and it was first registered in January 2020. So, it was three years old when Mr E received it, and it had covered 22,571 miles.

Mr E acquired the car using a personal contract purchase agreement that was started in March 2023. The vehicle had a retail price of £28,350. Mr E paid a £5,000 deposit meaning £23,350 was financed.

This agreement was to be repaid through 48 monthly repayments of £388.18 and then a final instalment of £12,445. Based on the statement of account an outstanding balance remains due. If Mr E made repayments in line with the credit agreement, he would need to repay a total of £36,078.54.

Mr E has complained about the quality of the car. Below is a summary of the issues complained of by Mr E and the investigation and repair work that has been carried out, alongside what has happened in respect of the complaint.

Mr E says he was told by the dealership the car was recently serviced. The advert for the car, and the service history supplied by the car dealer, says it was serviced on 13 March 2021 at 5,638 miles, again on the 31 March 2022 at 15,737 miles and on, 3 March 2023 at 22,571, the mileage the car was sold at.

The dealership has a record of the service at 22,571 miles, and the garage that performed the service. But it doesn't have any further information than this. Mr E thinks this means that the car may not have been serviced at this time.

And Mr E has had some problems with the car, and it has needed some repair and maintenance.

I've seen an invoice from October 2023 for a tyre replacement and wheel balancing and a second invoice from February 2024, for a replacement of three tyres.

In November 2024, the engine on the car failed. The car had travelled 45,459 miles at this time. I've seen a quote for the repair to the car from December 2024. This quote said the fault with the engine came about because the oil sump was blocked with residue and thick oil. This indicated the oil had not been changed for a long time. And it gathered debris from the wet timing belt, which is a type of timing belt that is lubricated by the engine oil ('wet belt'). This had hindered the oil circulation in the engine and caused the engine damage. The quote was £4,962.41 to replace the engine.

It's been established that Mr E hasn't had the car serviced over the time he has owned it, and he has driven it 22,924 miles. And that the service interval of the car is every 12,500 miles or yearly.

Mr E complained to Black Horse saying that the vehicle was advertised as having been serviced in March 2023, but the dealership had not been able to properly evidence this. He also said the engine failure indicates that it was not of satisfactory quality.

Black Horse considered this complaint, and it didn't uphold it. It said that there was no evidence that the car was of unsatisfactory quality at the time of sale. And the issues Mr E had complained about were due to ordinary wear and tear. And the engine failure was likely due to the car not being serviced while Mr E owned it.

Mr E didn't agree, and he had the car inspected by an independent third party to determine what the faults with the engine were. This report said that the design of the wet belt was prone to failure, and this would have led to increased debris in the oil that caused the engine failure. It concluded that the failure of the engine was not due to a missed service but due to the faulty wet belt itself and so would have been present or developing at the time of sale. It thought that Mr E should now be able to reject the car.

Mr E brought his complaint to the Financial Ombudsman Service. Our Investigator didn't uphold Mr E's complaint. He said that he thought the car was of satisfactory quality and the engine failure was due to a lack of servicing.

Mr E didn't agree with the Investigator. He said that the Investigator had mischaracterised the independent report and we should provide an alternative professional opinion if this report was being discounted. He thought it was misleading to say that the faults of the were due to a lack of servicing. And even though he didn't service the car this doesn't negate his rights under the CRA. The vehicle was defective due to the flaws with the wet belt.

Because Mr E 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 personal contract purchase – so we can consider a complaint relating to it. Black Horse 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 three years old when Mr E acquired it, and it had travelled around 23,500 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 E should have been able to use it for a reasonable period before it needed significant work.

I've thought about whether this car was of satisfactory quality, due to the issues that Mr E has raised about it, that is the tyres and the engine failure.

Mr E has provided invoices for the new tyres he has had fitted to the car, and some evidence that shows the wear on the old tyres. He says this shows the car was sold with faulty tyres at the time of sale.

But the tyres on a car will wear out over time and this seems to be what has happened here. And Mr E had been able to use the car for a significant amount of time before they needed replacing. Only one tyre was replaced at first, this was seven months after Mr E had owned the car and it had driven over 33,000 miles. I think if the other three tyres were not in a reasonable condition at this point they would have also been replaced. Which indicates to me they were not faulty. And Mr E was able to use them for a further four months before they needed to be replaced.

I haven't seen any evidence that shows Mr E was told the tyres were new when he acquired the car. I don't think the fact that the car needing new tyres, after a reasonable period of usage, is indicative of them being of unsatisfactory quality. This seems to me to be ordinary wear and tear.

The car suffered an engine failure about 21 months after Mr E had started using it. It was around five years old at this time and it had travelled about 45,500 miles. A car engine would usually last for a longer time, or mileage, than this so this failure was premature. I've looked at what I've been provided about this to see if this made the car of unsatisfactory quality.

I think it established that the reason the engine failed was due to the wet belt deteriorating over time and depositing 'fragments' of the belt in the engine oil. This in turn caused the oil to work less effectively, and the independent report says this blocked the oil pump. When this reached a critical point the engine failed due to oil starvation.

The independent report essentially says that the wet belt is a poor design and was flawed, and it concluded this should be seen as a fault that was present, or developing, at the time of sale.

Clearly this is a part or system of the car that is subject to wear and tear over time. And if action is not taken to mitigate the effects of this, then it can cause problems in the engine. But there are many parts in a car, and within the engine itself, that are like this. Most of the mechanical parts of the car will need regular or preventative maintenance to ensure they remain in a working and safe condition and the wet belt system is just one of them. I don't think it's reasonable to say that the car wasn't of satisfactory quality due to the design of the wet belt.

Mr E also didn't have the car serviced in all of the time he owned it. Both the manufacturer and the dealership have said that is likely to be the cause of the problem. That is, if the oil and the filter systems in the oil, were changed regularly then the contaminants in the oil would not build up and so would not damage the engine. As this didn't happen the oil quality became degraded which itself led to the oil system working poorly and causing engine damage.

Whilst the independent report concluded that the wet belt design meant the car was faulty, I think it also supports the conclusion that the lack of preventative maintenance caused the engine problem. This report says that the oil pump had become blocked due to debris from the wet belt. It goes on to say that:

*'New engine oil contains additives such as cleaning detergents, dispersants, wear protection, viscosity and base oil. Therefore each time the oil is replaced the additives attack and clean the wet belt. Old engine oil would have lower levels of these additives through natural degradation.'*

So, this report also says that regular oil changes would have lessened the effect of the wet belt degradation and so could have prevented the engine damage.

And this is the reason that manufacturers specify service intervals to cars, with or without this kind of timing belt system. They do need to be serviced regularly to avoid these problems, with a particular emphasis on regular oil changes.

Having considered everything I've been provided I think it's likely that the engine failed due to the lack of preventative maintenance rather than a fault that was present or developing at the time of sale. I don't think further evidence or reports are needed to conclude this.

So, I can't say it's likely that the problems were apparent or developing at the time the car was supplied to Mr E. 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. Whilst the car breakdown was unfortunate, I don't think that Black Horse should be responsible for putting the faults with the car right or paying any compensation.

Mr E has said that the car may not have been serviced at the time he acquired it. But the records the dealership had showed that when the service took place, the mileage of the car, and the garage that completed the service. It doesn't have a record of what was done to the car. But from what I know about this dealership it would likely have ensured the car had a service before it was sold. I'm not persuaded that Mr E was misled about the car servicing.

The independent report said that the service on the car may not have followed the correct procedure for servicing a wet belt. But this type of timing belt is not uncommon now and I've seen no persuasive evidence that the car was incorrectly serviced. This seems to be conjecture on the part of the independent report engineer.

And looking at the car servicing overall it seems to have been regularly serviced prior to the time Mr E acquired it. And then not serviced after this time. And this is the most likely cause of the engine failure.

Overall, I'm not upholding this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 8 July 2025.

Andy Burlinson  
**Ombudsman**