

The complaint

Miss H complains that the car she acquired through Black Horse Limited (“BHL”), wasn’t of satisfactory quality. She wants the car collected and the financial agreement to be terminated.

What happened

Miss H entered into a hire purchase agreement in January 2023 to acquire a used car. The cash price of the car was £16,198, and after taking account of the advanced payment of £3,899, the credit provided totalled £12,299. The total repayable was £21,395 and was to be repaid through the credit agreement which was set up over a 60-month term with monthly payments of £291.60. At the time of acquisition, the car had already been driven more than 26,000 miles and was around four years old.

Miss H told us:

- Three months after acquiring the car she spoke to the supplying dealership because the car would not start, and it collected the car and replaced the battery;
- in September – eight months after the car was supplied – she told the supplying dealership that a warning light had illuminated on the dashboard, indicating that there was an emissions fault, and that the car would not be capable of starting in around 1,500 miles;
- the supplying dealership would not assist, so she took the car to a garage associated with the manufacturer and some diagnostics were undertaken;
- the garage said the car was faulty, and the manufacturer agreed to contribute around £1,400 towards the repairs;
- in August 2024 – nearly a year after the repairs were undertaken, and 16 months after she’d acquired the car, a warning light illuminated on the dashboard, and the car engine cut out, leaving her stranded on a busy road with her children;
- this was a dangerous and distressing experience, but when she contacted the supplying dealership, it said there was nothing it could do;
- she thinks the previous repairs have failed and she wants to exercise her right to reject the car;
- she’s been left with a car that isn’t driveable, even though she’s carried on paying for it; she can’t afford to pay for more repairs, and she’s now having to use public transport and rely on friends and family.

BHL rejected the complaint about the satisfactory quality of the car it had supplied, but it did offer Miss H £100 for the poor service and delays in handling her complaint.

BHL said the issues with the DPF and the catalyst occurred more than six months after the car was supplied, and it had seen no evidence that this fault was present or developing at the point the car was supplied. BHL explained that *“as a diesel vehicle makes use of a DPF filter, it is required to drive the vehicle at specific speeds over a certain period...This will help to regenerate and clean the DPF to maintain optimal performance. This type of vehicle is not suitable for short distances and where the car makes several stops and driven at low*

speeds". And it said that if Miss H could provide evidence of the fault and the fact that her driving style had not contributed to the problem, it would reconsider the matter.

BHL told this Service that the DPF is checked during a car's MOT, and the car passed an MOT in July 2023 – six months after Miss H acquired the car – with no advisories about the DPF. And it noted that the car had passed its earlier MOT in June 2022 as well.

BHL says that since the car broke down in August 2024 it has not been assessed by any mechanic or garage. As a result there's simply no information about any fault or that the car was not of satisfactory quality when supplied.

Unhappy with BHL's response, Miss H brought her complaint to this Service. She says she's confident that her driving style did not create this fault.

Our Investigator looked at this complaint and said she didn't think it should be upheld. She acknowledged that there had been a fault with the car in November 2023, and the diagnostics at this time showed that the DPF needed replacing, and the car had been repaired. But she explained that for the new fault complained of – August 2024 – she's seen no evidence or diagnostics to show that there was a fault with the car, or that it was related to a previous repair, or was something that was present or developing at the point of supply.

Our Investigator explained the relevance of the Consumer Rights Act 2015 ("CRA") in the circumstances of this complaint and said she simply did not have enough information to persuade her that the car supplied by BHL was not of satisfactory quality.

Miss H disagrees so the complaint comes 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.

Having done so, I agree with our investigator – I don't think this complaint should be upheld, and I'll explain why.

I hope that Miss H won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Miss H should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all of her submissions before arriving at my decision.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Miss H is a regulated consumer credit agreement this Service is able to consider complaints relating to it. BHL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Miss H was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless BHL can show otherwise. But, if the fault is identified after the first six months, then it's for Miss H to show the fault was present when she first acquired the car. So, if I thought the car was faulty when Miss H took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask BHL to put this right.

I don't think there's any dispute that Miss H has experienced problems with the car. That has been well evidenced by her testimony.

But I'm of the view that, based on what I've seen, the supplying dealership accepted liability at the outset – it covered the cost of replacing the battery when the car wouldn't start – and the supplying dealership undertook those repairs. And I understand that an issue with the DPF was resolved some months later following a contribution from the manufacturer, and repairs were successfully completed at this time.

I acknowledge the further issue Miss H experienced in August 2024 when the car came to a standstill, but I've seen nothing that suggests this is a result of a fault with the car that was present or developing at the point it was supplied, or that alternatively, it's the result of a failed repair – earlier remedial work that wasn't completely successfully.

Now, it may well be the case that Miss H believes there's a fault with the car that has been there since she acquired it; or she simply does not have full confidence in the repairs that have been completed; or she fears that other faults may manifest themselves in the future. In this situation, as she's had the car for more than six months, it would be for Miss H to instruct a recognised independent engineer to inspect the car.

In the event an independent engineer concluded that the repairs had not been successful - they'd not addressed the original faults, or alternatively, the engineer identified further faults that were likely *present or developing at the point of supply*, then Miss H could bring a new complaint directly to BHL.

But based on the evidence I've seen, and taking account of everything in the circumstances of this case, I can't uphold this complaint.

I know Miss H will be disappointed with the outcome of his complaint, but I hope she at least understands why I've reached the conclusions that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 16 September 2025.

Andrew Macnamara
Ombudsman