

The complaint

Mrs H complains about the quality of a car she acquired under a hire purchase agreement with Toyota Financial Services (UK) PLC (TFS).

When I refer to what Mrs H and TFS have said and/or done, it should also be taken to include things said and/or done on their behalf.

What happened

In August 2023, Mrs H entered into a hire purchase agreement with TFS to acquire a car first registered in June 2017. At the time of acquisition, the car had travelled around 64,572 miles. The cash price of the car was around £13,760. There was a deposit of around £1,000. The total amount payable was approximately £15,586. There were 23 repayments of around £263, followed by one repayment of around £8,528.

Mrs H said that, basically, every 10 days she has to pull over to pump up tyres as she is getting a permanent warning that tyre pressure is low. Mrs H said that there have been several visits to the car's manufacturers' dealerships, but the problem remains unresolved. Mrs H said she wants to return the car and terminate the finance agreement. As Mrs H was unhappy, she raised her complaint with TFS.

In May 2024, TFS wrote to Mrs H and said they can see on the email exchange Mrs H had sent to them that the dealership had advised her that they had inspected the car and, at the time of testing, they found no issues with the brakes. In this correspondence, TFS said that due to the time elapsed since the car's purchase, they felt it was unlikely that any issues Mrs H was experiencing were also evident at the point of sale in 2023. As such, they said, they are unable to uphold her complaint.

Mrs H remained unhappy, so she referred her complaint to the Financial Ombudsman Service (Financial Ombudsman).

Our investigator considered Mrs H's complaint, but the investigator did not think that the car was of unsatisfactory quality when supplied.

Mrs H disagreed with the investigator. So, the complaint has been passed 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, the law and, where appropriate, what would be considered good industry practice

at the relevant time. Mrs H acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at these sorts of agreements. TFS is the supplier of goods under this type of agreement and is responsible for dealing with complaints about their quality.

I have summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned I have not ignored it. I have not commented on every individual detail. But I have focussed on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mrs H entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the age and mileage of the car and the cash price. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

In Mrs H's case the car was used, with cash price of around £13,760. It had covered around 64,572 miles and was approximately six years old when she acquired it. So, the car had travelled a reasonable distance and it is reasonable to expect there to be some wear to it. As a result, and I would have different expectations of it compared to a brand-new car. As with any car, there is an expectation that there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And, with second hand cars, it is more likely parts will need to be replaced sooner or be worn faster than with a brand-new car. So TFS would not be responsible for anything that was due to normal wear and tear whilst in Mrs H's possession. But given the age, mileage and price paid, I think it is fair to say that a reasonable person would not expect anything significant to be wrong shortly after it was acquired.

In summary, Mrs H feels the issue with the tyre pressure warning coming up on the dashboard of the car still remains unresolved. So, Mrs H thinks she should be entitled to reject the car.

The CRA sets out that Mrs H has a short term right to reject the car within the first 30 days, if the car is of unsatisfactory quality, not fit for purpose, or not as described, and she would need to ask for the rejection within that time. Mrs H would not be able to retrospectively exercise her short term right of rejection at a later date.

The CRA does say that Mrs H would be entitled to still return the car after the first 30 days, if the car acquired was not of satisfactory quality, not fit for purpose, or not as described, but she would not have the right to reject the car until she has exercised her right to a repair first – this is called her final right to reject. And this would be available to her if that repair had not been successful.

First, I considered if there were faults with the car. I can see in that mid-September 2023, when the car had travelled around 65,685 miles (approximately 1,000 miles after supply) the car had a service completed. During this service, the key fob battery was changed, a door was greased and a full valet completed. In approximately November 2023 Mrs H started to experience the tyre pressure warning light appearing on the car's dashboard. And I can see that in December 2023, when the car had travelled around 66,142 miles (approximately 1,500 miles after supply), the car had a rear offside tyre replaced. And in March/April 2024,

when the car had travelled around 73,208 miles the car's manufacturer's dealership replaced the car's front brake discs and pads, plus fitted new NSR tyre.

Mrs H said that different car manufacturer dealerships have examined that car, and they have not fixed the issue with the tyre pressure warning light appearing. But I've not seen enough evidence to be able to say that most likely there is a fault with the car that would render it of unsatisfactory quality. Tyre pressure can be affected by a variety of factors, such as weather, driving style, and mileage covered. None of the paperwork provided from the dealerships indicate that there is a fault with the car's tyre pressure sensor. Also, I've not been given reports from any other independent inspection, which would state that there is a fault with the car, one that was present or developing at the point of acquisition. Also, I cannot see enough evidence that would allow me to conclude that, most likely, the car was not durable. So based on the available evidence, I do not have enough to say that, most likely, the car is faulty and/or not durable which would render it of unsatisfactory quality.

When coming to the above conclusion, I have considered the age and mileage of the car when the above issues were noted and fixed such as the brakes and tyres. I also considered that all the things that have been repaired (mentioned above) are subject to wear and tear. As such, I think it is most likely all of those needed to be fixed because of normal wear and tear and parts coming to the end of their life cycle.

In addition, I've not seen enough evidence to be able to say that, on balance, there was a fault present or developing at the point of supply with the brakes, the tyres, or that the car was unsafe. And Mrs H travelled more than 1,500 miles when the tyre was replaced and more than 8,000 miles when the brakes were replaced, so I think, most likely, these needed changing due to normal wear and tear process. Plus taking into consideration that the car's age, mileage, and price paid, I think it is reasonable to expect there to be some wear to it as a result of this use. There is an expectation that there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And with second-hand cars – especially in a car of higher age and mileage – it is more likely that parts will need to be replaced sooner or be worn faster than in a brand-new car. So, TFS is not responsible for anything that was due to normal wear and tear. And I think it is fair and reasonable to say that, considering the circumstances of this complaint, the key fob battery, a door needing greasing, the brakes, and the tyres all fall within this category.

While I sympathise with Mrs H for the difficulties that she is experiencing, based on all the information currently available in this case, I do not think there is sufficient evidence to say that most likely TFS should take any further action relating to this complaint.

My final decision

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 20 June 2025.

Mike Kozbial
Ombudsman