

## The complaint

Mr M complains that a car that was supplied to him under a hire purchase agreement with Black Horse Limited wasn't of satisfactory quality. Mr M's sister is helping him with his complaint.

## What happened

A used car was supplied to Mr M under a hire purchase agreement with Black Horse that he electronically signed in December 2020. The price of the car was £9,990.01, the hire purchase agreement shows that Mr M paid a deposit of £2,944, and Mr M agreed to make 48 monthly payments of £171.09 to Black Horse.

The car's wet belt failed in June 2023, resulting in significant damage to the engine, and a replacement engine was required. Mr M paid £6,499.20 for the car to be repaired. He complained to Black Horse about the car in December 2024 but it said that it wasn't upholding his complaint because it had no evidence that the fault was present or developing at the point of sale. It said that the fault occurred around 29 months after the point of sale and the car had covered over 65,000 miles during that time.

Mr M 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, didn't think that Black Horse had acted fairly. He said that the wet belt failed prematurely and he was persuaded that the car wasn't of satisfactory quality when it was supplied to Mr M as it wasn't reasonably durable due to the known issue with the wet belt in that engine. He recommended that Black Horse should pay Mr M £400 for the distress and inconvenience caused and refund £6,499 to him for the repairs, with interest.

Black Horse hasn't accepted the investigator's recommendation and has asked for this complaint to be considered by an ombudsman. It has provided a detailed response to the investigator's recommendation and says, in summary and amongst other things, that:

- Mr M had covered over 65,000 miles in 29 months since the car was supplied to him which is extremely high mileage and he was using the car as a driving instructor which means that the engine would be suffering from higher than usual stress and items were likely to fail sooner than a car travelling average mileage with more experienced drivers;
- the manufacturer provides a time and mileage for replacement of the wet belt as a guideline and that doesn't include external factors such as wear and tear, weather or driving style;
- there are similarities with other complaints to which it has referred, which haven't been upheld;
- Mr M said when he applied for finance that the car was for social use, it wasn't aware that the car was to be used for driving instruction and any modifications would have required its permission but it has no record of permission being gained; and
- customers who have been affected by a known engine issue have been written to

with an action notice' from the manufacturer and it provides goodwill support to cover the cost of the wet belt replacement if it's an affected vehicle which has been serviced in accordance with the manufacturers recommendations up to a certain mileage, and it doesn't believe that there is evidence enough to show that this particular car has been affected by the known issue.

### **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.

Black Horse, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr M. 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 M was first registered in March 2019 so was about 21 months old, the hire purchase agreement says that the car had been driven for 15,437 miles and the price of the car was £9,990.01. 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's wet belt failed in June 2023 and Mr M needed the car for his work as a driving instructor so the car was repaired and Mr M paid the repairing garage £3,900 and £2,599.20. The invoice described the work that was completed and says that the car's mileage was 81,334 miles. The repairing garage says that its initial diagnostics showed the breakdown of the car's wet belt resulting in significant damage to the engine causing failure to the extent that a replacement engine was required. It says:

*“On this particular engine it is well documented that there are known issues with the Wet belt and we have checked through the service history that we have on record for your vehicle and can confirm that you have kept the vehicle well maintained and service[d] above the standard service recommendation required. The nature of the fault means the vehicle was not fit for the purpose it was purchased for and as mentioned above this fault is well known in the motor trade”.*

Black Horse says that when Mr M applied for finance he said that the car was for social use. Mr M's sisters says that the dealer was aware that the car was going to be used for driving instruction and the dealer's invoice shows that Mr M part-exchanged his previous vehicle which was given a value of £2,543. The wet belt failed 29 months after the car was supplied to Mr M and in that time the car had been driven for more than 65,000 miles.

The manufacturer's guidance is that the replacement interval for a wet belt is every ten years or 144,000 miles and Black Horse has provided evidence about the interval being reduced by a lot of stop/start driving and a recommendation that the wet belt is replaced sooner than the quoted interval. Mr M has provided the car's service history showing that it has been serviced in accordance with the manufacturer's recommendations and the repairing garage says that the car has been well maintained and serviced above the standard service recommendation required. It has also confirmed that any services on the car were carried out using manufacturer genuine parts and the manufacturer's recommended oil grade and type.

Black Horse says there are similarities with other complaints to which it has referred which haven't been upheld. This service looks at each complaint on its individual merits but I've looked at the three complaints to which Black Horse has referred. One was closed without a decision being issued; the ombudsman on another said that the complainant hadn't been able to provide anything, such as a report from the garage that did the repairs, to say that the issues were present when the car was supplied; and there was no reference in the decision for the third to there being a known issue with the engine.

The car's wet belt failed after about four years and three months. Although Mr M used the car as a driving instructor, I consider that it was reasonable for him to expect the car's engine to last for longer than that. The manufacturer's replacement interval for the wet belt is every ten years or 144,000 miles, so considerably longer than the 81,334 miles for which the car had been driven. I don't consider that the evidence is clear as to whether or not the wet belt failed as a result of a known issue with the car, but having carefully considered all of the evidence that Mr M, his sister and Black Horse have provided, I consider it to be more likely than not that the car wasn't as durable as it was reasonable for Mr M to expect it to be. Because the car wasn't as durable as it was reasonable for Mr M to expect it to be, I consider it to be more likely than not that the car wasn't of satisfactory quality when it was supplied to Mr M. I find that it would be fair and reasonable in these circumstances for Black Horse to take the actions described below.

### **Putting things right**

Mr M paid a total of £6,499.20 for the car to be repaired. I find that it would be fair and reasonable for Black Horse to reimburse him for those costs, and to pay interest on that amount. Mr M has described the impact that the failure of the wet belt had on him and the investigator provided details about that in his recommendation. It's clear that Mr M was caused considerable distress and inconvenience and the investigator recommended that Black Horse should pay him £400 for that distress and inconvenience. I consider that the investigator's recommendation is fair and reasonable in these circumstances.

## **My final decision**

My decision is that I uphold Mr M's complaint and order Black Horse Limited to:

1. Pay £6,499.20 to Mr M to reimburse him for the repair cost.
2. Pay interest on that amount at an annual rate of 8% simple from the date of payment to the date of settlement.
3. Pay £400 to Mr M to compensate him for the distress and inconvenience that he's been caused.

HM Revenue & Customs requires Black Horse to deduct tax from the interest payment referred to above. Black Horse must give Mr M a certificate showing how much tax it's deducted if he asks it for one.

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

Jarrold Hastings  
**Ombudsman**