DRN-5601402

The complaint

Mr H complains that a car supplied to him under a hire agreement with LEASYS UK LTD (LU) of unsatisfactory quality.

What happened

In August 2024, Mr H took delivery of a brand-new car through a hire agreement with LU. Mr H paid an initial rental of £1,008.32, with the contract showing this was to be followed by 23 monthly rentals of £336.11.

Mr H explained when the car was delivered on 29 August 2024, the car had no fuel – not even enough to start the car, and an engine warning light was on. The vehicle was recovered to a repairer through a breakdown company. Mr H said he picked up the vehicle after it was repaired, around 3 September 2024. Mr H added that having gone through this process, he requested to return the vehicle, and then later complained to LU, asking to return the car.

LU arranged for an independent inspection of the vehicle, in which there was found to be no faults with the vehicle at the point of inspection. As such, LU didn't uphold Mr H's complaint. LU did offer £100 for distress and inconvenience caused however.

As Mr H was unhappy with this, he brought his complaint to this service, where it was passed to one of our investigators. The investigator didn't uphold the complaint. They explained, that they didn't have evidence there was a fault with the vehicle meaning it was of satisfactory quality when it was supplied. The investigator also thought the £100 offered for distress and inconvenience was fair.

Mr H disagreed with this, and explained the car wasn't of satisfactory quality because it had a fuel pressure fault and the heat shield needed adjusting. Mr H added that he was within his rights to exercise his short-term right to reject the vehicle.

The investigator explained that the short-term right to reject doesn't apply as Mr H accepted repairs to the vehicle, and these were completed before Mr H asked to reject the car. Mr H responded to explain he wasn't told that proceeding with repairs would waive his right to reject and he didn't knowingly forfeit this right. He also added that the faults at handover trigger the short-term right to reject and that the CRA does not state a consumer loses the right to reject simply by allowing a repair, unless they explicitly agree to a repair instead of rejection. Mr H has also supplied information around the emotional nature of the time he was going through over this period.

Mr H then supplied further information showing a recall notice he was provided.
None of the information supplied changed the investigator's outcome, and as such, I've been asked to review the complaint and 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.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr H hired a car under a hire agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr H's complaint about LU. LU is also the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply of the car and its quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory, fit for purpose and as described". To be considered as satisfactory, the CRA says the goods 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. The CRA also explains the durability of goods is part of satisfactory quality.

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 vehicle's history.

In this case, Mr H hired a car that was brand-new. As this was a brand-new car, it's reasonable to expect the level of quality to be higher than a used, more road-worn car. It would be reasonable to suggest Mr H would expect to be able to use this free from significant defects, for a considerable period of time.

I've reviewed the available evidence about the issues Mr H experienced with the car. Based on what I've seen, I'm not satisfied that there was a fault with the car. I say this because I don't have evidence to show that there was a fault when the vehicle was delivered. Mr H has explained that the engine warning light was on – and has sent an image of this, and that there was no fuel in the car. I don't dispute this happened. And I think it's important to say that it doesn't seem reasonable for the car to have been delivered without any fuel in it. Having said this, I'm persuaded by the information we have available, that the likely cause of the engine light was the lack of fuel in the car. This is because I have an invoice from the repairer stating fuel pressure fault have cleared fault all ok and noise from the heat shield and that this has been adjusted. This is after fuel has been added to the vehicle. I think it is reasonable that if there had been a fuel pressure fault with the vehicle caused by something other than insufficient fuel, the fuel pressure issue is likely to have happened again, or was likely to have been present when the independent inspection report took place. The repairer does not confirm they carried out any additional work to rectify this fuel pressure issue.

I've explained why I'm not satisfied that there was a fault with the vehicle, so it follows that I'm persuaded the vehicle was of satisfactory quality when it was supplied. Having said this, Mr H also accepted repairs or work being carried out on his vehicle. So, if there was something else causing the fuel pressure issue, Mr H has agreed to have his vehicle investigated and repaired. In this instance I have nothing else to show that anything other than a heat shield adjustment and some fuel being added took place. The CRA does explain the short-term right to reject, however, if repairs are accepted and successful, the consumer no longer has the short-term right to reject. I acknowledge what Mr H has said in this case, around the emotional time he was experiencing and that he wasn't informed repairs would waive his right to reject, however, work has been accepted here. So, If I had decided that the vehicle wasn't of satisfactory quality, Mr H would not have the short term right to reject the vehicle as he had accepted the work being carried out on it and the fair outcome would have been for LU to have repaired the vehicle.

I'm not persuaded it is fair for the vehicle to have been delivered without fuel, which appears to have caused some follow-on issues. However I am persuaded the £100 offered for distress and inconvenience is a fair offer to reflect the trouble this would've caused Mr H, at a busy and emotionally stressful time.

Having carefully considered all of the available information, I'm satisfied the car was of satisfactory quality when it was supplied.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 September 2025.

Jack Evans
Ombudsman