

The complaint

Mr N complains about a car supplied to him using a hire purchase agreement taken out with CA Auto Finance UK Ltd ("CA Auto").

What happened

In September 2023, Mr N signed a hire purchase agreement with CA Auto to acquire a new car. The cash price of the car was £43,730, the agreement was for 48 months, made up of 47 regular, monthly repayments of £530.34, followed by a final payment of £18,803.90, which included an option to purchase fee. The advance payment recorded on the agreement was 12 pence.

Mr N said he experienced issues with the car from as early as January 2024 – within six months of acquiring the car. Mr N said:

- He had issues with the car's screen and some driving assist functions at first. Mr N said he was told that it was due to corrosion in the car's wiring. This was repaired.
- He was wrongfully charged for a parking fine he received while his car was in for repairs.
- During the repairs to the corroded wire, Mr N said he left a voucher for a third-party retailer in the car, which wasn't there when his car was returned to him.
- Later, he encountered another issue with the car where the steering wheel felt heavy to turn. Mr N said he was told the car wasn't safe to drive and to have it repaired. Mr N said while they fixed the issue, they retrieved his voucher that previously went missing.
- He was told that the foam inside the tyre wall was detaching, causing a wobble/vibration. And that a tyre had to be replaced on the car. Mr N said he was charged 50% of the retail price for a new tyre.

Mr N complained to CA Auto towards the end of May 2024, and they then issued their final response to Mr N in July 2024. In summary, they partially upheld Mr N's complaint and said that the retailer had assisted with all the issues Mr N brought to their attention. And they offered Mr N £150 for the distress and inconvenience caused.

Unhappy with CA Auto's response, Mr N referred his complaint to our service. Mr N confirmed he was given a courtesy car while repairs were being carried out and that all repairs had been completed.

Our investigator didn't uphold Mr N's complaint. In summary, she thought that although the car had a fault and was supplied of unsatisfactory quality, it had now been repaired. So, CA Auto didn't need to do anything further.

Mr N didn't agree with the investigator's outcome and wished to reject the car or be given a replacement. And so, the complaint was 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.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr N complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr N's complaint about CA Auto.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – CA Auto here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note here that the car Mr N acquired was new and I think a reasonable person would expect it to be in excellent condition, with no faults or issues. And I think they would expect trouble free motoring for a significant period.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

Mr N has explained that the car was taken in for repairs in one instance for an electrical issue. And Mr N said the car was later taken in for an investigation in relation to a jerk he experienced when trying to turn the wheel and a wobble he experienced.

I'm mindful here that no job sheets have been provided by either party for works carried out to the car. However, I don't think it is in dispute that the car had a fault. I say this because CA Auto hasn't disputed that the car had a fault as Mr N had described.

So, in the absence of job sheets for works carried out, and from what both parties have told our service, I think it is likely there was a fault with the car.

Was the car of satisfactory quality at the point of supply?

Considering the fault presented itself shortly after the car was acquired, and a repair was required to the car within a few months of it being supplied, I'm satisfied the fault was likely present or developing at the point of supply.

Remedies under the CRA

What I now need to consider is whether CA Auto needs to do anything to put things right. I think it is important to note, that for the repairs that have been carried out to the car for the

faults described above, they have been authorised by Mr N. I say this because, on each occasion, Mr N says he gave the car back to repair the fault that has occurred.

In addition, Mr N has said that the faults have been repaired and hasn't given any indication to suggest that the repairs carried out have failed in any instance. I'm also mindful that a few months has now passed since the car has been repaired and it is likely the car has continued to be used.

Thinking about all of this, considering all faults to the car have now been repaired, and I'm satisfied there are no longer faults with the car, I don't think it would be fair for Mr N to now reject the car or to receive a replacement. I'm satisfied Mr N's rights under the CRA, in broad terms, have now been met as all faults with the car have been repaired.

Mr N has said he had to pay a discounted rate for a replacement tyre. This is a wear and tear item, so I don't think CA Auto need to do anything further in relation to this.

Mr N says he was wrongfully charged a parking fine. I will make no finding on this matter as it isn't in relation to the quality of the car and something I can hold CA Auto liable for. Mr N also complained about a voucher which was missing and has now been retrieved. As the voucher was given back, and again, not in relation to the quality of the car, I will make no finding on the matter.

CA Auto offered Mr N £150 for the distress and inconvenience he received in relation to this complaint. Considering what Mr N has told our service, and the impact the issues with the car caused to him and his family, I'm satisfied that CA Auto's offer here is fair and reasonable in the circumstances. It's unclear whether Mr N accepted this offer before the complaint was referred to our service, or whether CA Auto has paid this amount to Mr N. So, if Mr N would like to accept this offer if he hasn't already, I would suggest he contacts CA Auto directly to see whether it is still available.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require CA Auto Finance UK Ltd to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 21 August 2025.

Ronesh Amin
Ombudsman