

The complaint

Mrs B complains that the car she acquired through Black Horse Limited (“BHL”) wasn’t of satisfactory quality. Although she’s voluntarily terminated the agreement, Mrs B wants to be compensated for the period she was without the car.

What happened

Mrs B entered a hire purchase agreement in August 2023 to acquire a used car. The cash price of the car was £8,998 and was to be repaid through the hire agreement over the 59-month term. Mrs B’s monthly rentals were £195.41, so if the agreement ran to its full term, the total repayable would be £11,529.19. At the time of acquisition, the car was seven years old and had been driven more than 52,000 miles.

Mrs B told us:

- She’s had a number of issues with the car since acquisition;
- in January 2024, the electric handbrake stopped working, so she took it to a local garage and the problem – an electrical fault – was repaired;
- in June 2024, because of an illuminated engine management light, she took the car for diagnostics at a cost of £120. This assessment concluded that there was an issue with the car’s AdBlue system – an issue with the injector that partially blocked the DPF, and an issue with the emission control system that affected the filter’s self-generation;
- she had no option but to have the car repaired, and the estimate for labour and parts was around £3,000;
- she’s been without a car for a considerable amount of time even though she continued paying her monthly rentals due under the finance agreement.

BHL rejected this complaint. It said there was simply no evidence that any of the issues and faults were present or developing when it supplied the car, and it dealt with each complaint point as follows:

- Electric handbrake – BHL said the invoice for repairs of the handbrake only itemised “labour”, and when it sought clarification from the garage, it was told that a labour only invoice meant that no parts were replaced, and there was simply no evidence of any repair being undertaken or required.
- Ad-Blue system – BHL said the fault with the Ad-Blue arose more than six months after the car was supplied. It said the garage could not confirm the cause of the problem, but said that given the time that had elapsed, and the mileage driven by Mrs B – more than 7,000 miles – this issue was not present or developing at the point of supply.
- Engine Management Light – BHL said the invoice associated with this issue was dated November 2024 – more than 15 months after Mrs B acquired the car, and after she’d driven more than 9,000 miles. It said the garage had concluded that this would

have been a “*sudden failure*” and would therefore not have been a fault that was present or developing at the point of sale.

- Cylinder Head / Glow Plugs – BHL said it had had sight of a second invoice from November 2024 that indicated the glow plugs had ceased operating within the cylinder head, and that the cylinder head required specialist repair. Again, because the garage confirmed that this issue could not have been present or developing at the point of supply, BHL said it could not be held responsible.

BHL told this Service “*As the electronic brake would have had to been engaged at the end of most journeys, we would not agree that this was present at the point of sale. If it had, then the customer would have experienced this issue sooner*”. And it noted that the car went through an MOT shortly before supply, when the handbrake would have been tested. BHL said it spoke to the garage in respect of the other faults, but for each of them the garage said that Mrs B would not have been able to drive the mileage she had if the faults complained of had been present or developing at the point of supply.

Our investigator looked at this complaint and said he didn’t think it should be upheld. He explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint and said that given the time Mrs B had been in possession of the car, and the mileage she’d driven, he’d seen no evidence that these faults were present or developing at the point of supply.

He didn’t dispute that Mrs B had experienced issues with the car, but said that in view of its age, it was more likely than not that the faults she’d reported were simply a result of normal wear and tear. And without an independent report and diagnostics that set out evidence of the faults and their root cause, along with an opinion that they were present or developing at the point of supply, he could not uphold this complaint.

Mrs B 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.

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 Mrs B 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 Mrs B was of satisfactory quality or not.

BHL supplied Mrs B with a used car – it was seven years old and had been driven more than 52,000 miles – so the price of the car was lower than it would've been if it had been supplied new. Because of this I think it's fair to say that a reasonable person would expect that parts of the car might've already suffered wear and tear. And there'd be a greater risk in the future that this car might need repairs and maintenance sooner than a car which wasn't as road-worn when supplied.

I don't think there's any dispute that Mrs B has experienced problems with the car - that has been well evidenced by both her testimony and the other documents that I've seen. But just because Mrs B has had problems with the car, and things have gone wrong, it doesn't necessary follow that the car supplied to Mrs B wasn't of satisfactory quality.

BHL would only be responsible for putting things right if I'm satisfied that the issues Mrs B complains about now were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mrs B acquired it in August 2023. And I simply haven't seen anything, for example, an independent engineer's report, that shows me that any of the faults with the car were present or developing when the car was supplied to Mrs B, or that the problems she's had are *not* commensurate with a car of this age and mileage. Moreover, I've been able to listen to a call recording between our Investigator and one of the garages, and it's quite clear that the engineer is of the opinion that Mrs B would not have been able to drive the car for as long and as far as she has, had the faults been present at the point of supply.

So, because of this, and in the absence of an independent engineer's report showing otherwise, then considering all the relevant circumstances, I can't hold BHL responsible for the problems Mrs B now complains of.

I know Mrs B will be disappointed with the outcome of her complaint, but I hope she 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 Mrs B to accept or reject my decision before 16 September 2025.

Andrew Macnamara
Ombudsman