

The complaint

Mr S complains that a car he acquired through a hire purchase agreement financed by Zopa Bank Limited ('Zopa Bank') is of unsatisfactory quality.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Mr S acquired a car under a hire purchase agreement in January 2023; the car was almost six years old with a cash price of £13,707 and had covered around 55,000 miles.

In August 2024 the car broke down due to engine failure and a third-party garage informed Mr S it's likely the timing belt had stretched. Mr S complained to Zopa Bank, because Mr S had been in possession for the car for longer than six months, he was advised to arrange an independent inspection.

In short, the independent inspection concluded the car was of satisfactory quality and commensurate with a car of its age and mileage. Based on these findings Zopa Bank didn't uphold the complaint and pointed out that Mr S had completed almost 18,000 miles since acquiring the car.

Our Investigator also didn't uphold the complaint. In summary she said whilst she didn't have enough evidence to say it the timing belt had stretched and caused the failure, the lifespan of a timing chain is largely variable. And give the mileage travelled since sale along with the price and age she considered the car to be of satisfactory quality when supplied.

As an agreement couldn't be reached 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.

Having done so, I've reached the same overall conclusions as our Investigator and for broadly the same reasons. I know this will come as a disappointment to Mr S, but I will explain my reasons below.

The hire purchase agreement entered by Mr S is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Zopa Bank is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr S entered. Because Zopa Bank supplied the car under a hire purchase agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA says that the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr S's case the car was used and covered approximately 55,000 miles when he acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

It isn't in dispute that there's a fault with the car, Mr S had the car for around 18 months and covered about 18,000 miles before it experienced a catastrophic failure. But just because the car requires repair now, doesn't automatically follow that it wasn't of satisfactory quality when it was supplied.

A car has numerous mechanical and electrical parts which will inevitably wear with age and use. Different parts of a car will have differing expected lifespans, and some will be required to be replaced as part of regular ongoing maintenance. With this in mind I've not seen anything to persuade me that the engine failure which Mr S says was a result of the timing chain stretching failed prematurely or was not reasonably durable given its age and mileage.

The CRA implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Zopa Bank can show otherwise. But, where the fault is identified after the first six months, the CRA implies that it's for Mr S to show it was present when the car was supplied.

Mr S arranged for an inspection to be carried out by an independent third party. I've seen a copy of the independent engineer's report for the inspection that took place on 17 September 2024. There seems to be a discrepancy with the miles recorded on the report about the miles completed at the point of sale. But from the information I have, I'm satisfied the car would've travelled approximately a further 18,000 miles since supply.

The engineer concluded:

'At this stage due to the elapsed time and reported mileage covered, we would consider the faults would not have been present or in development at sale...

C1 We can conclude based on the evidence available at the time of our inspection, we were able to confirm faults with the vehicle in regards to the fault codes obtained, the engine management light and that the engine revs would not increase.

C2 We suspect that the vehicle is in limp mode due to the diagnostic codes obtained; however, we would recommend further investigation is to be carried out under workshop conditions to ascertain the root cause.

C3 Unfortunately based on the evidence which has been presented now the inspection has been completed the engineering evidence alone will not support the defect/s were pre-existing.'

The engineer confirmed that their duty is to the courts, and not to the person who instructed and/or paid for the report. As such, I'm satisfied this report is reasonable to rely on. Given the contents of this report, I'm satisfied that the car was of satisfactory quality when supplied to Mr S.

I've also considered that Mr S's car had travelled around 73,000 miles in total by the time this problem happened. This isn't an insignificant amount of mileage and would lead me to doubt whether I could say for certain that the engine shouldn't have failed at that time because of an underlying issue with it at the point of supply.

Having carefully considered all the evidence; I don't find that Mr S was supplied with a car that was of unsatisfactory quality. So, it follows that I won't be upholding this complaint, for the reasons given in this decision.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 October 2025.

Rajvinder Pnaiser
Ombudsman