

## **The complaint**

X complains about the quality of a car that was supplied through a hire purchase agreement with Advantage Finance Ltd (AFL).

## **What happened**

In November 2023, X acquired a used car through a hire purchase agreement with AFL. The car was about nine years and six months old and had travelled 84,765 miles when it was supplied. The cash price of the car was £7,995. A deposit of £700 is listed, so the total amount financed on the agreement was £7,295 payable over 52 monthly repayments of £228.89 and final monthly repayment of £428.89.

X complains that the car was had a number of mechanical failures since he acquired it, and that despite attempts at repair the vehicle remains unfit for purpose. X says he's been unable to get about due to his disability and so would like to reject the vehicle.

In March 2025, AFL issued their final response to X's complaint which they didn't uphold. In summary, it confirmed X complained to them in January 2025, and raised concerns about the car's lack of power, electric damage affecting the steering control system, turbo, ignition coil, excessive fuel consumption and faulty start/stop function. It said an independent inspection of the car was carried out which concluded the car was road legal at the point of sale and that the current issues were not associated with previous repairs.

Unhappy with their decision, X brought his complaint to our service where it was passed to one of our Investigators to look into.

In May 2025, our Investigator issued their initial assessment of the complaint and recommended that it should not be upheld. In summary the Investigator concluded that based on the evidence provided, the car was of satisfactory quality when it was supplied to X.

X didn't accept the Investigator's assessment and responded to say:

- He was mis-sold the warranty as it wouldn't have covered his car due to its age
- He was sold a payment protection policy which he could never use
- He was pressured into accepting a vehicle he didn't choose

The Investigator advised the warranty didn't form part of the agreement; the payment protection insurance and the allegation of mis-sale wasn't raised as part of the initial complaint so AFL would need to be given an opportunity to respond in the first instance. However, as the Investigator's opinion remained unchanged, X asked that his complaint be referred to an ombudsman for 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Firstly, I'm aware that I've summarised this complaint in far less detail than the parties, and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. 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 argument to be able to reach what I think is the right outcome.

X complains about a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider X's complaint about AFL. AFL is also the supplier of the goods under this agreement, and is responsible for a complaint about their 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.

Here, X acquired a used car which had covered around 86,000 miles, was over ten years old and which cost around £7,995. So, I think a reasonable person would not have the same expectation of quality in comparison to a newer model, which had less mileage. But I still think they would expect the car to be free from any major defects and would expect trouble free motoring for both some time and distance.

The independent inspection, which was arranged by AFL and completed on 3 March 2025, acknowledged there were fault codes related to the alternator, the fuel system, ignition system and oxygen sensor. The dealership also confirmed repairs were carried out on various components in 2024.

Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply.

#### *satisfactory quality*

In his complaint form, X said he experienced a number of faults with the car since it was supplied to him. He also said the issues remained with it. He subsequently raised a complaint with AFL in January 2025. As part of his complaint, X said: "*The vehicle has*

*unresolved loss of power, electrical damage affecting steering control system, turbo and ignition coil issues, excessive fuel consumption, start/stop issues”.*

The dealership confirmed in an email dated February 2025, in relation to Mr W's car, a failed cylinder head gasket was repaired under warranty in January 2024, a brake pressure sensor was repaired under warranty in March 2024, a rocker shaft was repaired under warranty in October 2024, and a wire connection and crack to the rocker cover were also repaired under warranty in 2024.

The dealership also confirmed in their dealings with X that he told them other repairs were carried out incorrectly by a third-party garage or by himself which have resulted in further issues developing.

The faults confirmed by the dealership have been repaired, and do not appear to be related to the issues raised by X to AFL. The independent inspection report also concluded that in its opinion the vehicle was in a road legal condition when it was supplied to X, and there was no evidence the current issues were associated with the previous repairs.

The report also commented on further queries raised by X, following the publication of the independent inspection report, relating to the ongoing issues and failed repairs. The engineer who completed the independent inspection concluded that their findings remained unchanged.

The inspection was carried out by an industry expert so I've no reason to doubt their findings. Having considered the independent report has reached the same conclusion, that the issues with the car were not likely to be present when it was supplied to X or as a result of failed repairs, I'm satisfied it was of satisfactory quality when X acquired the car.

I acknowledge repairs were carried out within the first year, as confirmed by the dealership. However, these repairs appear to have been successful. I've no evidence that they've failed or that they're related to the problems X is currently experiencing with the car. In addition, in April 2025, X confirmed the current mileage was around 97,000, which means he was able to drive it for around 13,000 miles before the most recent issues arose. This further persuades me the issues were likely to be a result of in service wear and tear, which I also don't consider to be unusual or unreasonable, given the age and mileage of the car when it was supplied to X.

In his response to the Investigator, X raised concerns relating to being mis-sold the warranty, that he wasn't able to use it due to the car's age and mileage. As the warranty didn't form part of the hire purchase agreement I've not focussed on this in my decision. However, I note the dealership confirmed the repairs they carried out were covered under the warranty, so X may decide to raise this concern with the dealership to understand whether he did benefit from it.

X also raised concerns about being given payment protection insurance and being pressured into acquiring the vehicle. I haven't seen any evidence that X raised these issues with AFL in the first instance, or that they've provided a full response to them. So, I've not focussed on these concerns in my decision. X may decide to raise this with AFL in the first instance to give them an opportunity to respond to him and resolve his concerns about it.

As I've concluded, from the evidence provided, that the current issues with the car are not related to failed repairs by the dealership or were present when the car was supplied, I don't require AFL to take any action in relation to this complaint. AFL confirmed in their final response that a further inspection would be completed, so a test drive can be carried out to

better understand any issues; X may decide on reflection if he would like AFL to carry out further investigations with the view of receiving further support from them, if that offer is still available.

**My final decision**

My final decision is that I don't uphold X's complaint about Advantage Finance Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 7 November 2025.

Benjamin John  
**Ombudsman**