

The complaint

Mr S complains about the quality of a car he has been financing through an agreement with Black Horse Limited (Black Horse), trading as Land Rover Financial Services.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr S took receipt of a new car in October 2023. He financed the deal through a hire purchase agreement with Black Horse. Mr S experienced some problems with the car. In November 2023 the Engine Management Light (EML) illuminated but the dealership were unable to identify a problem. In December 2024 the EML illuminated again, and the dealership updated some out-of-date modules. Later in December 2024 Mr S reported some charging issues and the dealership replaced the Direct Current (DCDC) unit, a High Voltage Junction Box (HVJB) and the 12-volt battery. The screen wash light switch was also replaced. In February 2025 the HVJB was replaced again along with a power inverter.

Mr S complained to Black Horse who upheld his complaint and offered £250 in compensation, but Mr S didn't think that was sufficient. He referred his complaint to this service and our investigator provided an opinion.

The investigator agreed that the car hadn't been of satisfactory quality. He noted that Mr S had agreed to repairs being carried out on the car and that courtesy cars had been provided to keep him mobile. He thought Black Horse's offer of compensation wasn't sufficient in the circumstances and he suggested they pay Mr S £500 in total.

Black Horse thought that was excessive and Mr S didn't think it was enough. So, the complaint has been referred to me, an ombudsman, to 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 agree with our investigator's view of this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

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 S acquired his car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn't then Black Horse, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

There's no dispute that this car was supplied in an unsatisfactory condition. Black Horse have accepted that, and repairs have been accepted by Mr S. Mr S has been provided with courtesy vehicles while his car has been in for repair and, as such, I don't think Black Horse need to compensate him for loss of use. But they should compensate him for the distress and inconvenience he's experienced.

Mr S has had to take the car back for repairs on several occasions over a prolonged period. He's not been able to use the car he wanted to use during those times, and I think that would have been distressing. He's also had to escalate his complaint to this service when I think it could have been resolved earlier. Mr S will have been looking forward to driving his brand-new vehicle and I think the issues he's had with it will have caused him some distress. Overall, I don't think £250 is sufficient and I think the £500 our investigator has suggested is a fairer reflection of the distress and inconvenience caused. I'm asking Black Horse to pay that.

I can see that Mr S has had further problems with the car, and I've noted that our investigator has asked him to log those issues with Black Horse, so they have a chance to consider them under a new complaint. I'm only able to consider issues that the business have already had a chance to consider so that seems fair.

My final decision

For the reasons I've given above, I uphold this complaint and tell Black Horse Limited (Black Horse), trading as Land Rover Financial Services, to pay Mr S £500 in compensation for the distress and inconvenience he's been caused. They can deduct £250 if that's already been paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 September 2025.

Phillip McMahon
Ombudsman