

The complaint

Mr B complains about a car supplied under a Personal Contract Purchase ('PCP') agreement, provided by CA AUTO FINANCE UK LTD ('CA').

Mr B has been represented on this complaint, but to keep things simple I will only refer to Mr B in the decision.

What happened

Around December 2022 Mr B acquired a used car under a PCP agreement with CA. The car is listed with a cash price of £21,000, was around four years old and had covered around 34,851 miles.

Mr B says around a year after he got the car, he repaid the finance. He then says he found out a 'salvage marker' had been registered against the car around two months prior to him acquiring it. He says he was never told about this, even though he believed the dealer knew.

Mr B complained to CA and it issued a final response in July 2024. This said, in summary, that the car was "*HPI clear*". It explained the car had been repossessed from its previous owner and sold at auction. It said the nearest auction at the time was a 'salvage auction' which it said might have caused the confusion with the car's status. CA said the car did not have any markers that said it had been written off or damaged.

Around December 2024 Mr B complained to CA again. He said, in summary, that he believed the dealer was aware of the 'salvage marker' when the car was sold. CA responded and explained its stance was the same as set out in its final response.

Mr B remained unhappy and referred the complaint to our service.

Mr B told our service he has been economically disadvantaged by this as the car can't be sold at a fair market rate. Mr B says had he known about the marker, he would not have acquired the car. Mr B said he wanted to reject the car.

Our investigator issued an opinion and did not uphold the complaint. In summary, he said he hadn't seen any evidence the car had any markers recorded against it indicating it had been written off nor damaged. He said the evidence provided only showed it was sold by a salvage company. And he said he hadn't seen evidence the car wasn't HPI clear.

Mr B responded. He said, in summary, that the car "*presents with a salvage marker*". He said the car would be worth a lot more if this wasn't present. And he explained he thought the dealer and finance company had breached the Consumer Protection from Unfair Trading Regulations 2008.

Our investigator explained Mr B hadn't provided any evidence to show a salvage marker was on the car. And he said the HPI was clear.

Mr B responded and provided a screenshot showing a business saying "*Sorry, we can't sell*

your vehicle. This might be due to its history". And he sent an email from the same company saying it wouldn't buy Mr B's car because of a warning for 'salvage history'.

Mr B provided an *"initial check"* from a third-party company that does vehicle checks. This said *"Auction and Salvage History" "Found (1)"*.

Mr B said by 'salvage marker' he meant that the car was showing as being sold at a salvage auction. He said even though the HPI report may show as clear, the above meant companies would not buy the car.

Our investigator explained he'd still not seen any 'salvage markers' on the car and explained he couldn't comment on why a third-party company might not have wanted to acquire the car.

Mr B then responded and provided an email from another dealer explaining they had noted the car had been put through an auction *"as a salvaged vehicle"* and giving a trade value of £6,500 to £7,000.

As Mr B remained unhappy, the case 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 think this complaint should not be upheld. I'll explain why.

Mr B complains about a car supplied under a PCP agreement. Entering into regulated consumer credit contracts such as this as a lender is a regulated activity, so I'm satisfied I can consider Mr B's complaint against CA.

Firstly, I think it's important to establish what the situation was, and wasn't, with Mr B's car. It isn't in dispute here that *some* information was recorded about the car in relation to salvage. But it's key to note specifically what this information was.

Having reviewed the evidence, I agree it is recorded that Mr B's car was sold at a salvage auction prior to him acquiring it. But this is quite different to being recorded as 'salvaged'. This would typically mean a car had been heavily damaged or otherwise written off by an insurer.

I'm satisfied Mr B's car was *not* recorded as having been salvaged. This was confirmed to Mr B in an email from a company that provides vehicle checks. This said:

"Upon review of the report, I can confirm the vehicle was sold at (business name). It doesn't mean it was a write-off. The vehicle was sold with minor issues, which is reflected on the external website our report links to. Salvage History is not the same as insurance Write-Off, which is a totally separate section in our product. salvage History is only salvage auction listing history"

The information Mr B provided from the time the car was sold at auction also states:

"Description" "Damage to this vehicle is minor dents/scratches and normal wear."

In summary, I'm satisfied Mr B's car was recorded as being sold at a salvage auction but was not recorded as being salvaged.

I've then gone on to consider what this means for the complaint.

When considering what's fair and reasonable, I take into account relevant law, guidance and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the goods must match a description.

In addition, I've considered if the recorded information means the car was misrepresented to Mr B. I would consider a misrepresentation to have occurred if Mr B was told a false statement of fact about the car that induced him into entering into the contract to acquire it, when he would otherwise not have.

The issue here is very specific. Having thought about things, I've not seen enough to persuade me that Mr B was told the car hadn't been sold at a salvage auction. Nor have I seen he was told no details were recorded on any registers in relation to this. This means I don't think it's likely he was told a 'false statement' of fact, which means I do not think the car was misrepresented to him. And it follows I also don't think the car didn't match a description given.

I accept Mr B was likely told the car was HPI clear, but I haven't seen this wasn't the case and Mr B also seems to accept this. So again, I haven't seen this means a misrepresentation occurred nor that the car was not as described.

I have considered whether the fact Mr B wasn't told that the car was sold at a salvage auction would be a misrepresentation by omission – that is if the dealer failing to disclose the information amounted to a misrepresentation. I've thought carefully about this. And I will say had the car been salvaged, or if there was evidence of prior damage, I may think differently. But, having considered the specific nature of the fact in question here, I still do not think the car was misrepresented.

All of that being said, I'm also not persuaded Mr B has shown he is at a loss here either way, or what any potential loss is. I appreciate he has shown one third party company would not buy the car, but this doesn't mean others wouldn't. And the company in question directed him to another business it thought *would* purchase the car.

While he's provided one valuation at around £16,000 and one at around £7,000, these are from different parties. The first quote was an estimate having not seen the car. And in the email from the dealer for the second quote, this at least seems to imply they thought the car was a 'salvaged vehicle' which, as I explained above, I do not think it was.

The CRA also explains goods must be of 'satisfactory quality'. Mr B has recently raised concerns about the car's condition when it was sold, but didn't provide any supporting evidence. In any event, I can't see this formed part of his complaint to CA so I haven't considered this further.

I want to reassure Mr B I've carefully considered all of the other points raised here and had in mind the legislation he mentioned. But this doesn't change my opinion.

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 Mr B to accept or reject my decision before 24 September 2025.

John Bower
Ombudsman