

## **The complaint**

Mr A complains that a car he took on hire purchase from Marsh Finance & Commercial Limited was not of satisfactory quality. He wants to return it and to be reimbursed for what he has spent.

## **What happened**

In July 2024 Mr A entered into a five-year hire purchase agreement for used car. The car had been first registered in January 2017 and had covered just under 82,000 miles. Its cash price was £11,995, and Mr A was to pay Marsh Finance £301 a month.

Mr A says that, within a few weeks, he noticed an unusual noise coming from the car. He reported the matter to the dealership and arranged for repairs to be carried out. Over the following few months, brake discs and pads were replaced, the car's fuel was drained, the car was serviced, and further issues were identified with a ball joint, tyres, the oil pressure valve, spark plugs and a gasket. Mr A spent over £1,100 on repairs.

In the course of those repairs, Mr A was told that there might be an issue with the car's gearbox. He complained to Marsh Finance that the car was not of satisfactory quality. Marsh Finance therefore arranged for an independent engineer to carry out an inspection.

The engineer concluded, in summary, that there were transmission faults but that it was unlikely that the entire transmission needed replacement. The report suggested possible remedies. The engineer also concluded that the car needed a replacement oil pressure regulator. It was unlikely the problems he identified were related to previous concerns.

The engineer said that the transmission issues were unlikely to have been present or developing at the point of supply of the car to Mr A, but that the oil pressure regulator concern probably was. He concluded that, overall, the car was likely to have been of satisfactory quality at the point of delivery.

Relying to a large degree on the independent engineer's findings, Marsh Finance did not uphold Mr A's complaint. He referred the matter to this service. One of our investigators considered what had happened but did not recommend that the complaint be upheld – although he did note that Marsh Finance would be responsible for repairs in respect of the oil pressure regulator, since that was a fault which was present or developing at delivery. Mr A did not accept the investigator's assessment and asked that an ombudsman review the case.

## **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.

Under the Consumer Rights Act 2015 Mr A's contract with Marsh Finance was to be read as including a term that the car would be of satisfactory quality – meaning the quality a

reasonable person would expect in all the circumstances. In the case of a used car, those circumstances will include its age, price and mileage.

The car in this case was more than seven years old and its recorded mileage was relatively high, both in absolute terms and relative to the UK average for a vehicle of that age. Those matters were reflected in the cash price and, therefore, the monthly payments due under the hire purchase agreement.

For these reasons, I think it was to be expected that the vehicle might need some repairs during the life of the agreement. It was likely too that some components would be showing the effects of wear and tear and might need replacing sooner rather than later. And it was possible that some more costly items might develop issues as well. I do not believe that most people would expect the car to be entirely free from faults.

There is, I believe, no real dispute that the car had faults at the time it was supplied to Mr A. That is shown by the repairs which were needed relatively soon after he took delivery. Nor is there any real question that it had faults – including the transmission issues – when it was inspected by the independent engineer. That does not necessarily mean, however, that it was not of satisfactory quality at the time of delivery. As I have indicated, some faults were to be expected.

Mr A has said that, under the Consumer Rights Act, where an item is not of satisfactory quality within six months of delivery, it is for the supplier to show that it was of satisfactory quality at the point of supply. That is a correct summary of what the Act says. And in this case, the faults which led to the complaint were apparent within six months.

However, given the age, price and mileage of the car, it could have been faulty and still been of satisfactory quality. Further, by the time it was inspected, it had covered a further 6,000 miles since Mr A acquired it. I should mention too that sections 19(14) and 19(15) of the Consumer Rights Act are, in effect, rules of evidence which a court must apply. This service is not bound by the same rules of evidence as a court would be, although I am required to take into account any relevant law. I have done that in deciding what's fair and reasonable.

Be that as it may, the independent engineer's report reached the conclusion that the transmission issues were unlikely to have been present or developing at the time of delivery. In saying that, he noted the additional mileage since July 2024. And, whilst he considered that the oil pressure regulator concern was likely to have been present or developing at the point of delivery, his overall conclusions included that the vehicle was of satisfactory quality at the point of sale.

I can understand Mr A's frustration here. It is clear that he has spent a significant amount of money on repairs in the few months after delivery of what was (to him) a new car. But, of necessity, I feel that I have to attach significant weight to the opinion of the independent engineer who has the necessary expertise to reach a conclusion and who has had the opportunity to inspect the car. His conclusion about whether it was of satisfactory quality was clear.

### **My final decision**

For these reasons, my final decision is that I do not uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 October 2025.

Mike Ingram  
**Ombudsman**