

The complaint

Mr C complains about a car supplied to him using a hire purchase agreement taken out with Black Horse Limited trading as Land Rover Financial Services ("LRFS").

What happened

Mr C referred a complaint to us along with his representative. As the complainant is Mr C, for ease, I have addressed my decision to him only throughout, when referring to what he and his representative have told us.

In December 2019, Mr C acquired a used car using a hire purchase agreement with LRFS. The car was over two years old, the cash price of the car recorded on the agreement was £37,500, and the agreement was for 60 months. The mileage recorded on the agreement for the car was 71,375 miles.

In October 2023, Mr C's car broke down at 98,956 miles. A third-party breakdown report said that there was insufficient oil in the car's engine due to a heavy oil leak and that there was also a loud knocking noise emanating from the car's engine.

A diagnostic report was also completed on the car in October 2023 which found several fault codes for various aspects of the car.

A sample analysis was also completed by a third-party in April 2024. The car's mileage recorded on the report was 98,596 miles. The report said that the viscosity of the car's engine oil was too low for the recommended grade of oil for the car.

Mr C complained to LRFS in August 2024 and in September 2024, they issued their final response to him. In summary, they didn't uphold Mr C's complaint. They said no evidence had been supplied to show that a fault with the car was present or developing at the point of supply.

Unhappy with LRFS's response, Mr C referred his complaint to our service in December 2024.

Our investigator issued his view where he explained why he didn't uphold Mr C's complaint. In summary, he thought the issues with the car appeared to be due to wear and tear, rather than the car being supplied of unsatisfactory quality.

Mr C disagreed with the investigator's findings. Mr C strongly believed the engine failed prematurely due to factors beyond his control.

Our investigator responded and in summary explained that the further submissions didn't change his opinion.

As Mr C disagreed with our investigator's view, the complaint was 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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, 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 point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr C complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr C's complaint about LRFS.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – LRFS here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note that the car Mr C acquired was used, over two years old, and within that time, it had been driven 71,375 miles. I think a reasonable person would accept that it would not be in the same condition as a new car and was likely to have some parts that are worn. And I think it is fair to say that the car had been driven significantly more than the average car of a similar age.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

It isn't in dispute here that the car developed a fault or had an issue. I say this because LRFS hasn't disputed that there was a fault with the car and Mr C has supplied a breakdown report which said that his car had to be recovered after breaking down. The breakdown report said that the oil was leaking heavily from the car and that there was suspected engine damage. Mr C later had the oil inspected in the car which concluded its viscosity was too low and that there was high levels of aluminium found in the sample tested.

While no information has been supplied from an expert mechanic which has categorically confirmed a fault with the car, considering the above, I think it is likely there was a fault with it – in relation to a suspected engine failure.

Was the car of satisfactory quality at the point of supply?

The crux of the issue here is whether the fault with the car was present or developing at the point of supply, which meant it wasn't of satisfactory quality.

I'm mindful here that the car broke down a couple of months below four years from the point of supply. And within that time, while the car was in Mr C's possession, it had been driven for around 27,580 miles.

Thinking about everything here, I haven't seen enough, on balance, to persuade me the fault with the car was present or developing at the point of supply. No report from an expert mechanic has concluded or commented on whether the issue with the car's engine was present or developing from the point of supply. But more importantly, considering almost four years had passed and the car had been driven around 27,500 miles since it was supplied, I'm satisfied any issues in relation to the car's engine weren't present or developing at the point of supply. I say this because, I think had an issue with the engine been present or developing at the point of supply, it would have been apparent much sooner than when Mr C initially experienced an issue with it.

Like any component in a car, it is subject to wear and tear damage. While it is intended that no part should fail, they can. A manufacturer cannot be expected to provide an indefinite guarantee against a component part failure. Considering the car had been driven for almost 100,000 miles before issues with its engine presented itself, I'm satisfied it was supplied in a durable state.

It follows that I do think the car was of satisfactory quality at the point of supply and so, I don't think there is anything LRFS needs to do in this instance.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require Black Horse Limited trading as Land Rover Financial Services to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 26 August 2025.

Ronesh Amin
Ombudsman