

The complaint

Mr M complains that a car supplied under a hire purchase agreement with Black Horse Limited was of an unsatisfactory quality, and that it was misrepresented to him.

What happened

In October 2024, Mr M was supplied with a used electric car through a hire purchase agreement with Black Horse. The cash price of the car was £18,900. He paid a deposit of £2,050 and the agreement was for £16,850 over 49 months; with 48 monthly payments of £302.88 and a final payment of £7,041. At the time of supply, the car was around four years old, and had covered 45,129 miles.

A few days after the car was supplied, Mr M contacted the dealership as it wasn't performing as expected. He said he was told the car had a range of around 200 miles on a full charge, but he wasn't able to achieve a range more than around 140 miles. He also said the car's display showed a charging fault. He asked to exchange the car for a different one, as he didn't think it was fit for purpose. He said his commute was a round trip of around 150 miles, so a lower range meant the car wasn't suitable for his needs.

The dealership investigated the issue. They were unable to replicate the charging fault, but suspected that any problems Mr M experienced were caused by a poor contact between the charging cable and socket. It cleaned the socket and suggested Mr M try a different cable – which it offered to pay for. It also noted that the car had a charging target of 70% which was affecting the range. It adjusted the settings to a target of 100%. After doing this, the car had a range of 169 miles at full charge, which the dealership said met the specifications for this type of car. It said the car's battery was operating at 92% capacity which was well within the expected range for the car's age and mileage. In January 2025, Mr M reported a separate issue causing the car's display to go blank. The dealership agreed there was a problem with the display system and that it would likely need to be replaced.

Mr M made a complaint, and said he still wanted to reject the car. He said the car's range had been misrepresented by the dealership, and it had failed to fully explain how the range of electric cars work. Black Horse said the car's battery was operating as expected given its age and mileage and didn't think there was any evidence that the dealership had misrepresented it to Mr M. It apologised for the display system fault, and offered Mr M £50 to recognise any distress and inconvenience caused by this. It also offered to refund 10% of Mr M's payments from the point of supply up until the dealership offered to repair the fault – bringing the total compensation to £209.77. It also said it would look to keep Mr M mobile during any repairs and would agree a further refund if he was left without a car.

The complaint was referred to this service. One of our Investigators considered the complaint and didn't uphold it. They didn't think there was enough evidence to show Mr M was promised the car had a range of 200 miles, or that there was a problem with the car's battery or range that made it of an unsatisfactory quality. They thought Black Horse's offer to repair the display and compensate Mr M was fair in the circumstances.

Mr M didn't accept the Investigator's conclusions. In summary, he said he was explicitly told the car would achieve a range of 200 miles through normal use, and that factors such as battery degradation and other influences on the battery life weren't explained at all. He also noted that the agreement had a 14 day 'cooling off' period and he'd asked to exchange the car within this time. He didn't think Black Horse's compensation offer went far enough to recognise the stress caused by the car. He asked for the complaint to be referred to an Ombudsman for a final decision. So, it's 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.

If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my decision on the balance of probabilities – what I think is more likely than not to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr M was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means I can consider a complaint about it.

Mr M complains both that the car wasn't of a satisfactory quality, and that it was misrepresented to him by the dealership when it was sold. I've addressed each of these concerns.

Misrepresentation

I've first considered Mr M's concern that the dealership misrepresented the car to him. Under Section 56 of the Consumer Credit Act 1974 (CCA), Black Horse can be held responsible for the antecedent negotiations carried out by the supplier. For me to agree the car was misrepresented by the dealership, I'd need to be satisfied there was a false statement of fact, and that false statement induced Mr M to buy the car.

I can't say for certain what was said to Mr M during the sale, so I've considered both his version of events and any point of sale documentation. The original advert for the car is no longer available, so I can't see what range – if any – was advertised. But the make and model of car supplied to Mr M has an official WLTP (worldwide harmonised light vehicle test procedure) range of 194 miles. The WLTP is a range obtained under specific laboratory testing conditions, and manufacturers are required to advertise this range. This measure is designed to give consumers a comparison between the mileage range of different makes and models. In practice, a car's range will typically be less than this and will depend on a wide range of factors including weather, road conditions, journey length and other battery consumption. My research suggests that this particular make and model – in real world conditions – will typically achieve a range of around 165 miles.

So, while I can't say for sure what was said during the sale or in the advert, I think it's likely that a range of around 200 miles would've been mentioned – as this is consistent with the WLTP range for this model which the manufacturer advertises. Mr M says the dealership failed to explain that the advertised range wasn't the same as what he could realistically expect to achieve. But while I've taken Mr M's comments into account, I haven't seen enough to persuade me that he was guaranteed or otherwise told that the car would achieve a range of 200 miles in real world conditions. While I understand Mr M would've liked the

dealership to give him more information about how the car works, I'm not persuaded it made a false statement of fact or that the car was misrepresented to him.

Satisfactory quality

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr M entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the age and mileage of the car and the cash price. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

So, if I thought the car was faulty when Mr M took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Black Horse to put this right.

In this case, the car was four years old and had covered more than 45,000 miles at the point of supply. I think a reasonable person would expect a car of this age and mileage to have more wear and tear than a newer or less travelled one. I also think a reasonable person wouldn't expect a used car to perform in exactly the same way as a brand new one would. But I'd expect the car to be sufficiently durable, and free of defects for a reasonable period.

Mr M's concerns about the car's battery and range were investigated by the dealership on at least two occasions, but no faults were identified. The dealership did change the settings to help maximise the achievable range. After doing so, the displayed range was 169 miles – which appears to be consistent with the expected range of this make and model. While Mr M says the range he's getting is still often less than this, the car's range can be affected by a wide variety of factors – and I don't think this suggests there's a fault or that the car isn't fit for purpose. When it was last tested, the car's battery operated at 92% capacity – which is in line with what I'd expect given the car's age and mileage. While I understand Mr M would like the range to be higher than it is, I haven't seen anything to suggest this renders the car of an unsatisfactory quality.

Mr M says the display showed a charging fault – and he's provided a photo of this. While the dealership didn't find evidence of the charging fault Mr M, it offered to clean the contacts and pay for a replacement charger – which I find fair. While I don't dispute Mr M experienced a fault, cleaning the contacts appears to have resolved it – and I haven't seen any evidence to suggest the display continued to show a fault after the contacts were cleaned. The dealership traced the problem to a poor connection between the charging cable and port – which I don't find renders the car of an unsatisfactory quality on its own, taking all of the circumstances into account. The charging cable is an accessory, and not a internal component of the car itself – and cleaning the contacts falls under day-to-day maintenance of the car.

Mr M also reported a fault with the car's display and navigation system. While he says he started experiencing this problem soon after the car was supplied, the first mention of it that I've seen was in January 2025 when he got back in touch with the dealership. I can't see that the problem is mentioned or identified in any of the correspondence or job cards before then. The dealership identified a fault with the display system and agreed to repair it. They said the unit would likely need to be replaced.

Under the CRA, faults which occur in the first six months of an agreement are assumed to have been present at the point of supply – unless there's evidence to demonstrate otherwise. In this case, Mr M says the fault occurred straight away – and it was reported around two months after the point of supply. Black Horse doesn't seem to dispute that there was an underlying fault with the display at the point of supply – and I've seen no evidence to suggest otherwise. Considering the age and mileage of the car, I don't think a reasonable person would expect a component as vital as the main display to be turning off and glitching so soon after supply. So, I'm satisfied the car wasn't of a satisfactory quality when it was supplied to Mr M.

Under the CRA, where a fault rendering a car of an unsatisfactory quality occurs after more than 30 days from the point of supply the lender has one chance to arrange a repair. If that repair doesn't return the car to a satisfactory quality, the consumer has the final right of rejection. While I appreciate Mr M disagrees, I haven't seen any evidence of the fault occurring or being reported in the first 30 days of the agreement. So, Black Horse should be given the chance to repair it.

Mr M said he didn't want the dealership to arrange a repair – as he wanted to reject the car. Based on the information I've seen, it doesn't appear the proposed repair has been carried out since then – and Mr M says his preference is still to reject the car. I think the dealership's suggestion of repairing the display system – and replacing it if necessary – is reasonable. So, I don't require Black Horse to do anything further in relation to this fault. If the repair was carried out and wasn't successful, Black Horse would need to reconsider the matter at that stage.

Mr M says the car was recently the subject of a manufacturer recall. He's provided a notice stating a software update was carried out, which aimed to reduce the number of switching cycles to reduce internal wear. While this wasn't part of his original complaint, it's worth noting that manufacturer software updates – including recalls – don't necessarily mean there's a fault or that the car is of an unsatisfactory quality. Recalls are often carried out as a preventative measure. I haven't seen any evidence to suggest that the software update was carried out as a result of the car having an outstanding fault.

Mr M says he exercised his right to reject the car within 30 days of supply and, as there's a fault, he should now be allowed to reject it. I can see Mr M asked to exchange the car within a week of supply. However, this was specifically because he was unhappy with the car's range which – as I've explained – I'm not persuaded is related to a fault or rendered the car of an unsatisfactory quality. While there is a fault, I've seen no evidence to suggest it was reported within the first 30 days or that Mr M asked to reject the car because of that fault. So, while Mr M asked to exchange the car, I don't think it was unreasonable that Black Horse didn't agree to this at the time.

Black Horse offered Mr M £50 to recognise the distress and inconvenience caused by being supplied with a car with a display fault. The fault would have caused Mr M some frustration, and he was inconvenienced by having to return the car to the dealership to have it investigated. Taking everything into account, I think £50 is a fair reflection of the distress and inconvenience caused by the fault. Black Horse also offered a further £159.77, representing 10% of the payments he made up to when the dealership investigated the issue. I think 10% fairly reflects the loss of enjoyment the fault would have caused Mr M. So, I think Black Horse's offer is reasonable in the circumstances.

Other considerations

Mr M also says he has the right to end the agreement within 14 days, and that he attempted to reject the car during this period. As Mr M says, he was entitled to withdraw from the

agreement without giving a reason during the first 14 days. But this only applies to the finance agreement itself, not his purchase of the car. Had Mr M withdrawn from the agreement, he would have been required to pay the balance in full. This is typical of most motor finance agreements. I can't see that Mr M asked Black Horse to withdraw from the agreement within the first 14 days – and I don't think he'd have been in a better position even if he did, as he would've been required to pay for the car in full.

Mr M says the 14-day withdrawal period wasn't sufficiently explained during the sales process. That isn't a concern he's raised with Black Horse previously and wasn't part of the complaint he referred to this service. If Mr M remains unhappy about the way the cooling off period was disclosed to him, he'd need to raise that with Black Horse in the first instance.

My final decision

Black Horse Limited has already made an offer to pay Mr M a total of £209.77 – and to arrange a repair to the car's display system - to settle the complaint, and I think this offer is fair in the circumstances.

So, my final decision is that Black Horse Limited should pay Mr M £209.77 and arrange a repair to the car's display system – if Mr M agrees and it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 November 2025.

Stephen Billings
Ombudsman