

The complaint

Mr N complains that a car acquired under a hire purchase agreement with CA Auto Finance UK Ltd trading as CA Auto Finance UK ("CAA") wasn't of satisfactory quality when it was supplied to him.

Mr N has also complained that the mileage range of the car was misrepresented to him.

What happened

Both parties are familiar with the background of this complaint so I will only summarise what happened briefly here.

In February 2024, Mr N acquired a used electric car direct from a manufacturer, who also acted as the credit broker in sourcing the finance provider. He paid a deposit of £800, with the remaining purchase balance provided under a hire purchase agreement with CAA. The car was five years old and had covered approximately 56,000 miles when the agreement started. The agreement was for 48 months, with 47 monthly payments of £353.46, and a final payment of £10,800 if Mr N wanted to keep the car at the end of the agreement. The cash price of the car was £22,500.

A couple of weeks later, Mr N got in touch with the manufacturer's technical team as he wasn't getting the range he expected out of the car. He sent them information from his app for the car as he was anticipating getting close to 200 miles per charge from the car but was actually achieving considerably less. The manufacturer initially said this was to be expected.

Mr N stayed in contact with the technical team over the next few months, asking them for an update and providing them with more information about the range he was achieving on journeys. The manufacturer told Mr N in January 2025 that the range he was achieving was as a result of natural battery degradation, and it wasn't at a level that required a battery replacement.

Mr N complained to CAA. The car had covered approximately 63,100 miles at this point. He said the car wasn't of satisfactory quality and the expected mileage range had been misrepresented to him when he was acquiring the car. CAA didn't uphold Mr N's complaint. They said the range achieved was as a result of natural battery degradation and Mr N hadn't shown the car had a fault when it was supplied to him.

Mr N brought his complaint to our service. Our investigator didn't uphold it. He said there wasn't any evidence to show the car wasn't satisfactory when it was supplied to Mr N. And he said he hadn't seen any evidence of misrepresentation either, so CAA didn't need to do anything further.

Mr N didn't agree. He continued to maintain that he should achieve much better range from the car, even allowing for battery degradation for the age and mileage.

As Mr N didn't accept, the complaint 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.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice.

Both parties have provided a lot of information in this case. I'd like to reassure them both that I've read and considered everything that's been sent. But, I will be focussing my comments on what I think is relevant. If I don't comment on a specific point, it isn't because I haven't considered it, but because I don't think I need to comment in order to reach what I think is the right outcome. This is not intended as a discourtesy but reflects the informal nature of this service in resolving disputes.

The fact the car was supplied to Mr N under a hire purchase agreement means that the credit provider has responsibility for things that were said or done by the credit broker prior to Mr N's entry into the agreement.

As the hire purchase agreement entered by Mr N is a regulated consumer credit agreement this service is able to consider complaints relating to it. CAA are also the supplier of the goods under this type of agreement and responsible for a complaint about their quality.

The Consumer Rights Act 2015 ("CRA") covers agreements like the one Mr N entered. Because CAA supplied the car under a hire purchase agreement there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as, amongst other things, the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr N's case, the car was used and had covered approximately 56,000 miles when he acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

Our investigator has explained that he thinks the car was of satisfactory quality when it was supplied to Mr N. I agree in this case. There is no doubt that Mr N isn't getting the range from the car that he was expecting – but I'm not persuaded the evidence in this case confirms the car wasn't of satisfactory quality when it was supplied. I'll explain why.

The CRA explains that where goods are found not to have conformed to the contract within the first six months, it is presumed the goods did not conform to the contract at the point of supply. Unless the supplier, CAA in this case, can prove otherwise. However, in this case Mr N didn't bring his concerns with the range to CAA's attention until January 2025, 11 months after he'd been supplied with the car. So, I need to consider if CAA have done what I'd expect them to have done once they were aware there were concerns about the range Mr N was achieving. As this was outside of six months since Mr N had been supplied with the car, it was for him to show the reduced range was a fault, and that the fault had been present from the point of supply.

Mr N has supplied CAA with a lot of information obtained through the manufacturer's digital app showing the range he has been achieving on various journeys between February 2024 and January 2025. It's clear from that information that he isn't getting the range he was expecting when he agreed to take the car. However, he has also provided confirmation from the manufacturer's technical team that the range being achieved is as a result of battery degradation and isn't a fault with the car.

There are a number of reasons why Mr N might not be achieving the range he was anticipating, but I'm satisfied the most persuasive piece of evidence in this case is the response from the technical team. As they have stated the range being achieved is as a result of expected battery degradation as opposed to a fault with the battery, I'm satisfied that CAA have treated Mr N fairly by telling him they aren't persuaded the car had a fault when it was supplied to him. It's reasonable for them to rely on the manufacturer's findings and comments in this case. Mr N hasn't provided any evidence to counter what the manufacturer's technical team have said or anything that shows the car had a fault when it was supplied, other than his testimony that confirms what he was expecting the car's range to be – making his own allowances for degradation. And whilst I appreciate his frustrations here, I don't think his evidence is as persuasive as that provided by the technical team. So, it follows that I'm not persuaded the car was of unsatisfactory quality when it was supplied to him.

Mr N has also said that he thinks the achievable range was misrepresented to him when he made arrangements with the manufacturer to acquire the car. In order for me to decide that I need to answer two questions:

- Has a false statement of fact been made? And
- Has this false statement induced Mr N to acquire the car?

It's only if I can answer 'yes' to both of these questions that I can decide the car was misrepresented at the point of supply. And in Mr N's case, I'm not persuaded I can answer 'yes' to the first question. This means that I'm satisfied the car's range wasn't misrepresented to Mr N at the point of supply. I'll explain why.

Mr N selected the model he wanted online, and the manufacturer then sourced it for him. The advert for the model in question states that the range is 254 miles (WLTP est.). However, it then goes on to say:

'Range figures based on testing new vehicles to WLTP standards. Vehicle range may change depending on battery age and condition, vehicle configuration, driving style, environmental and climate conditions.'

I haven't seen anything that confirms Mr N was told he would be able to achieve a range of 254 miles, or even the 200 he anticipated when he made his own allowances for degradation. The car was five years old when he acquired it and had covered approximately 56,000 miles. Mr N hasn't shown anything to prove he was told a false statement of fact when he entered the agreement to acquire the car. The information available to him showed an estimated range for a brand-new model and explained several factors that would influence the range that could be achieved. As such, I'm not persuaded a misrepresentation has happened in this case.

I know this decision will come as a disappointment to Mr N and he has a car that isn't allowing him the use he anticipated when he acquired it. But I can only ask CAA to consider doing something to put things right if I'm satisfied the car demonstrated a fault at the point of supply, and I'm not persuaded the evidence in this case supports that.

I won't be asking CAA to do anything here.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 29 December 2025.

Kevin Parmenter
Ombudsman