

The complaint

Miss R complains that a car that was supplied to her under a hire purchase agreement with Black Horse Limited wasn't of satisfactory quality. She's being helped with her complaint by her brother.

What happened

A used car was supplied to Miss A under a hire purchase agreement with Black Horse that she electronically signed in August 2022. The price of the car was £18,850, Miss R paid a deposit of £1,500 and she agreed to make 48 monthly payments of £435.70 to Black Horse. There were some issues with the car so it was returned to the dealer for repairs and services and it was also taken to a manufacturer's dealer and to other garages. Miss R's brother says that the car hasn't been used since July 2024.

Miss R says that she wrote to Black Horse in August 2024 about the issues with the car and requested that it be repaired. Black Horse says that it received the letter in September 2024 but thought that it was addressed to the dealer so it attempted to contact Miss R three times in two days but had no response so didn't continue with logging a complaint or carrying out any investigation. Miss R complained to this service in November 2024 and details of the complaint were forwarded to Black Horse. It said that the burden of proof was on Miss R to show that a fault was present or developing at the point of supply but she hadn't provided it with evidence of that by the date set so it had closed her complaint.

Miss R's complaint was then looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He said that as the car had been driven for 54,488 miles between August 2022 and July 2024, he was satisfied that it was of satisfactory quality when supplied because he didn't think that it was likely that that mileage could have been completed if the car wasn't of satisfactory quality.

Miss R didn't accept the investigator's recommendation and her brother says that she would like an ombudsman to make a decision on her complaint. Her brother says that: he's been paying for the finance on the car although it's parked up and hasn't driven since July 2024; a complaint was made about an oil leak three weeks after the car was supplied and the dealer booked a repair with a manufacturer's dealer in November 2022 when it was confirmed that there was a leak; the dealer has taken the car in numerous times for the ongoing problem and has repaired other minor problems but has failed to repair the main problem; and they would like the car to be repaired if the hire purchase agreement can't be ended.

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.

Black Horse, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Miss R. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Miss R was first registered

in May 2018 so was more than four years old, the hire purchase agreement shows that it had been driven for 33,550 miles and the price of the car was £18,850. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

The investigator set out details of the work that had taken place on the car, based on job cards that had been provided. Those job cards show that work took place on the car twice in each of October and November 2022, in February and March 2023 and twice in February 2024. A report from an inspection of the car in April 2024 said that the turbo had suffered from oil carbonisation and a manufacturer's dealer inspected the car in July 2024 and identified repairs that were required with an estimated cost of £10,778.88. The car's mileage was recorded by the manufacturer's dealer in July 2024 as 88,038 miles and Miss R's brother says that the car hasn't been driven since then.

It's clear from the job cards that there have been issues with oil leaks from the car and the inspection in July 2024 was to investigate an oil leak. That was more than two years after the car had been supplied to Miss R and, in that time, it had been driven for more than 54,000 miles, which would be considered to be very high mileage. The car was serviced by the dealer in February 2023 and February 2024 and it passed MOT tests in May and September 2022 and August 2023, with the only advisories being about its tyres. Between the September 2022 and the August 2023 MOT tests, the car was driven for 32,912 miles.

I don't consider that an oil leak on a car that's more than four years old and which has been driven for more than 33,550 is enough to cause the car not to have been of satisfactory quality. I also don't consider that the car would have been able to be driven for more than 54,000 miles since it was supplied to Miss R if it hadn't been of satisfactory quality at that time.

I'm not persuaded that there's enough evidence to show that the car wasn't of satisfactory quality in August 2022 when it was supplied to Miss R. I find that it wouldn't be fair or reasonable in the circumstances for me to require Black Horse to allow Miss R to reject the car, to pay for it to be repaired, to pay her any compensation or to take any other action in response to her complaint. I suggest that Miss R contacts Black Horse to discuss the options that are now available to her under the hire purchase agreement.

My final decision

My decision is that I don't uphold Miss R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 16 September 2025.

Jarrold Hastings
Ombudsman