

## **The complaint**

Miss J has complained about the quality of a car provided on finance by Startline Motor Finance Limited.

## **What happened**

The events surrounding this complaint are well known to both parties, so I'll only summarise what happened briefly here. Startline supplied Miss J with a used car on a hire purchase agreement in December 2023. The cash price of the car was around £7,700 and it had covered around 88,000 miles since first registration in October 2014. Miss J paid a deposit of £1,000. The hire purchase agreement required payments of around £210 for 44 months followed by a final payment of around £220. The finance was arranged by a broker I'll call Broker B.

Miss J said she had a warranty repair for a faulty alternator and an auxiliary drive belt in February 2024. She'd also paid for a washer pump and pipeline.

In September 2024 she paid for a brake pad warning lead. She also paid for repairs to the suspension and was told that the brake discs were worn.

In October 2024 Miss J said that she had a warning of "restricted performance" and the EGR valve was identified as needing to be replaced. The mileage was around 100,700. The engine management light (EML) was illuminated.

Miss J complained to Startline in December 2024. She said that the EGR valve had a temporary repair which wasn't completed by her and had now failed. She said this was not disclosed at the time of sale.

Miss J commissioned and paid for an independent inspection by an automotive engineer I'll call Expert A, but the inspection couldn't determine when the temporary repair was made.

Startline said that the inspection didn't demonstrate that the car wasn't of satisfactory quality at the point of supply, so it didn't uphold the complaint.

Miss J referred her complaint to the Financial Ombudsman. An investigator here looked at the complaint. She thought that there was insufficient evidence that the car wasn't of satisfactory quality when it was supplied.

Miss J disagreed. In summary she said:

- There was an inevitable failure of an undisclosed temporary repair.
- The matter was handled poorly by Startline including a vague offer of help when there should have been a clearly defined statutory and contractual obligation.
- This wasn't a case of fair wear and tear or a part failing through age. It was a deliberate temporary workaround that shouldn't have existed in a car sold under a finance agreement.

- She said she was being held financially liable for car with a concealed defective component.
- A temporary workaround was present at the point of sale and the failure of that was not her responsibility.
- The contract implies that any repairs must be carried out to manufacturer or equivalent standard, and this repair did not meet the contract's intent.
- Had she known about the temporary fix she wouldn't have proceeded with the agreement, and at the very least she should be released from the agreement. The car was misrepresented by omission if not by intent.
- Startline claim she refused an offer of help. But that offer was never made by Broker B and suggested that Startline knew the issue didn't sit comfortably as wear and tear.
- Miss J supplied a witness statement confirming that she had not arranged the temporary repair herself and it should be concluded that the defect pre-existed purchase.

Miss J asked for an ombudsman to make a decision, so it's been passed to me.

### **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, in my opinion, fair and reasonable, I take into account relevant law and regulations; regulator's rules, guidance and standards; codes of practice; and what I believe to have been good industry practice at the relevant time.

I've read and considered the evidence submitted by both parties, but I'll focus 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.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Firstly, I am very sorry to hear about the difficulties Miss J has described to this service. I can't imagine how she must feel but thank her for bringing her complaint. I need to clarify that I'm only looking into a complaint about Startline, rather than the other parties that have been involved here. And I'm not able to include multiple parties, compel or interrogate witnesses or marshal sworn evidence in the way that a court does.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Startline is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

### Satisfactory quality

The Consumer Rights Act 2015 (CRA) is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory."

The CRA says the quality of goods are satisfactory if they meet the standard that a

reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. In a case involving a car, the other relevant circumstances might include things like the age and mileage at the time of supply and the car's history.

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

When Miss J acquired the car in December 2023 the mileage was around 88,000 and the cash price was around £7,700. The car was first registered in October 2014, so by this stage it was nearly nine years old. It wouldn't be unreasonable to expect the car to be showing some signs of wear and tear, and that might include the underlying components. There would be very different expectations of it than if it was a brand-new car.

Miss J has referred to the terms of the agreement implying that any repairs must be carried out to the manufacturer standard. I think she's referring to the term which says the consumer will: *"take proper care of the vehicle and keep it in good and serviceable condition and maintain it in accordance with the manufacturer's and dealer's servicing recommendations, handbooks and manuals, and ensure it has a full service history"*. But this refers to the condition and servicing of the car during the contract, rather than how it was maintained during its lifespan.

Unfortunately, there's no guarantee that previous repairs to a used car will have been made to the manufacturer's recommended standards, unless that was a statement that was made as part of the sale. A used car with this mileage is likely to have had many repairs during its lifetime, and the price paid usually reflects the age and condition of the car. Acquiring a used car carries some inherent risks, not least of which is that sooner or later items, or components of the car, will need repair or replacement. And some earlier repairs won't necessarily have meant the car was brought to an "as new" condition. But the goods do need to be of satisfactory quality at the point of supply.

As a starting point there would need to be some evidence of what the fault was. And secondly, that the fault renders the car of unsatisfactory quality.

Miss J has given a detailed account of all the issues and repairs that she's dealt with while the car was in her possession. I think she understands the risk of buying a second-hand car and she's borne the cost of some repairs, as well as some having been carried out under warranty. But she's made a distinction with the fault with the EGR valve. She says that it was a pre-existing defect that was concealed. I'm not going to discuss the other repairs in detail in my decision as these were covered by our investigator and Miss J has understandably focused on the EGR valve. But for completeness, in relation to the other repairs that have been made, I agree with our investigator's assessment that we don't have sufficient evidence to show those repairs made the car of unsatisfactory quality. So, what's left to decide is when the earlier repair to the EGR valve took place, and if it was prior to Miss J acquiring the car, whether that made the car not of satisfactory quality.

Miss J arranged and paid for an independent inspection of the car to take place. The report was carried out in December 2024, and the mileage was around 103,800. This meant that Miss J had been able to cover around 15,500 miles since the car was supplied. This was a visual inspection of the car by a qualified technician. Expert A is recognised in the industry to perform these inspections. His report includes his qualifications and a statement of truth to the court. Considering the description of the faults, how long Miss J had had the car, and the mileage covered, I don't think it's unreasonable for Startline to have asked for some

independent evidence to confirm or not that the car had an inherent fault. Startline is responsible for the quality of the car when it is supplied and not ongoing issues.

The difficulty here is that that Expert A has said that the EGR valve had an earlier temporary repair which has failed. He's not given any indication about when that happened. I've taken into account that Miss J has given a witness statement too, but that doesn't mean I can conclusively state that the repair was carried out by the selling dealer and it should have been disclosed. The repair could have taken place at any point in the car's history. Expert A hasn't given any indication of how long the repair would have been in place for.

Even if I could conclude that the repair was in place prior to Miss J taking possession, and the dealer ought to have been aware of it, I'd then have to consider whether the repair made the car not of satisfactory quality. In this case as around ten months had elapsed since the goods were supplied to Miss J, given the age and mileage of the car, and that there is no evidence linking earlier faults, I find it unlikely the goods were not of satisfactory quality when supplied. I say this because Miss J had been able to cover around 15,500 miles before Expert A inspected the car. I don't think the car would have been able to cover that mileage if it wasn't of satisfactory quality. But most importantly the report confirmed the car likely conformed to the contract at the point of supply.

### Negotiations

Miss J also said that information about the repair to the EGR valve was intentionally obscured either by the selling dealer or Broker B.

I think section 56 of the Consumer Credit Act 1974 might also be relevant here. This provision has the effect of deeming Broker B to be the agent of Startline in any antecedent negotiations. So Startline is responsible for the antecedent negotiations Broker B carried out direct with Miss J.

Part of the difficulty here is that Broker B, isn't the selling dealer, who has now ceased trading. I've not been provided with any specific testimony or evidence about what Miss J was or wasn't told about the car by either of those parties. So, I can't say that I've seen anything compelling to show that Broker B misled Miss J. Based on the fact that Expert A couldn't determine when the repair happened, it's not clear that Broker B omitted to tell Miss J something it was required to. I'm not persuaded that any parties ought to have been aware there was a problem.

I can understand Miss J is disappointed the car had such problems, that might not be cheap or easy to rectify. But what I have to bear in mind is that just because I've seen there are faults with the car that manifested within the first ten months, this doesn't necessarily mean the car wasn't of satisfactory quality when it was supplied to Miss J – which is what I need to decide.

Based on the findings of the report, I don't think Startline treated Miss J unreasonably by not taking any further action. I can understand that Miss J was unhappy that Startline indicated that Broker B might offer further assistance. But Startline didn't have any power to ask it to take further action, and I've not found it had any liability itself. I think it was relying on Broker B's assertion that it would assist her with repairs. If it is now unwilling to do so, unfortunately that isn't something that I can direct it do as part of this complaint.

I appreciate Miss J is unhappy she feels she's lost out and she may need to pay a significant amount for further repairs. I'm sorry to disappoint Miss J, but without sufficient evidence of faults which made the car of unsatisfactory quality, I find I don't have the grounds to direct Startline to do anything further.

Miss J doesn't need to accept my decision, and she'll be free to pursue the complaint by other means, such as through the court, after obtaining legal advice, as necessary.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 9 December 2025.

Caroline Kirby  
**Ombudsman**