

The complaint

Mr Y complains about the quality of a car he acquired under a hire purchase agreement with Blue Motor Finance Ltd trading as Blue Motor Finance (BMF).

When I refer to what Mr Y and/or BMF have said or did, it should also be taken to include things said or done on their behalf.

What happened

In November 2024, Mr Y entered into a hire purchase agreement with BMF to acquire a car first registered in June 2013. At the time of acquisition, the car had travelled around 68,580 miles. The cash price of the car was around £6,995. The total amount payable was £9,081.28. Mr Y needed to make 48 instalments of £147.61 and there was an Option to Purchase Fee of £1 that was payable at the same time as the final instalment

Mr Y said that on 19 April 2025 he was driving and the engine just cut off. He said there were no warning lights and when he tried to start the engine, it would not turn on. It turns out the engine had seized. Mr Y raised a complaint with BMF. Mr Y feels that, as he contacted BMF about five months after supply regarding the faults with the car, this falls within the six-month period he should, at a minimum, be entitled to a repair at no cost to him, unless BMF can prove that the fault was caused after supply through misuse, or ordinary wear and tear.

In May 2025, BMF wrote to Mr Y to address his complaint. They said they decided to commission an independent inspection on the car. They quoted the independent inspection which said that due to the amount of time and mileage covered by the car while in Mr Y's possession, the fault would not have been present at the point of supply. BMF said that, as the engineer confirmed that they should not be liable for the repairs, they are not upholding Mr Y's complaint.

Mr Y remained unhappy, as such he referred his complaint to the Financial Ombudsman Service (Financial Ombudsman).

Our investigator was of the opinion that the complaint should not be upheld. The investigator did not think that BMF have done anything wrong as the car was not of unsatisfactory quality at the points of supply.

Mr Y disagreed with the investigator. So, 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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

In considering what is fair and reasonable, I need to take into account the relevant rules, guidance, good industry practice, the law and, where appropriate, what would be considered good industry practice at the relevant time. Mr Y acquired the car under a hire purchase agreement, which is a regulated consumer credit agreement. Our service can look at these sorts of agreements. BMF is the supplier of goods under this type of agreement and is responsible for dealing with complaints about their quality.

I have summarised this complaint briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focussed on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

I know that Mr Y is unhappy about certain actions/inactions of the supply dealership/broker and for some of these BMF might be responsible for, such as, for example, what was said or done during the antecedent negotiations before Mr Y entered the finance agreement. But I can only consider actions/inactions of BMF and only the aspects they are responsible for, and I cannot look at certain actions and/or inactions of the dealership or broker or the manufacturer which Mr Y might be unhappy about. So, in this decision I only focused on the aspects I can look into. And I am only looking at the events that have been raised by Mr Y with BMF, the ones they had an opportunity to address after he raised his complaint.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr Y 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.

In Mr Y's case the car was used, with a cash price of around £6,995. It had covered around 68,580 miles and was over 10 years old when he acquired it. So, the car had travelled a reasonable distance, and it is reasonable to expect there to be some wear to it because of this use. I would have different expectations of it compared to a brand-new car. As with any car, there is an expectation there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And with second-hand cars, it is more likely parts will need to be replaced sooner or be worn faster than with a brand-new car. Therefore, BMF would not be responsible for anything that was due to normal wear and tear whilst in Mr Y's possession.

Mr Y thinks that he should have been entitled to reject the car or at a minimum for BMF to cover the required repairs.

The CRA sets out that Mr Y has a short-term right to reject the car within the first 30 days, if the car is of unsatisfactory quality, not fit for purpose, or not as described, and he would need to ask for the rejection within that time. Mr Y would not be able to retrospectively exercise his short term right of rejection at a later date.

The CRA does say that Mr Y would be entitled to still return the car after the first 30 days, if the car acquired was not of satisfactory quality, not fit for purpose, or not as described, but he would not have the right to reject the car until he has exercised his right to a repair first – this is called his final right to reject. This would be available to him if that repair had not been successful.

First, I considered if there were faults with the car.

I can see from the independent inspection report, dated 12 May 2025, when the car had travelled around 70,722 miles (around 2,142 miles since supply). The inspection said that in their opinion, it does appear that the engine is in a seized condition.

Based on the above, it is clear that the car was faulty. But just because a car was faulty does not automatically mean that it was of unsatisfactory quality when supplied. So, I have considered if the car was of unsatisfactory quality when it was supplied to Mr Y.

I can see that the independent report, completed in May 2025, concludes that taking into consideration the time and mileage successfully elapsed since supply, the engineer did not consider the defect to have been present at the point of supply.

The engineer also later elaborated that, as they have not been advised of any previous repairs or running issues up until the point of breakdown, this indicated the car was operating as intended until the engine seized. Also, they said that the engine seizure often occurs due to a lubrication issue, which we would have expected to become evident earlier than they did.

As such, I have considered the findings of the report. I have also considered that at that time the car had travelled around 70,722 miles (around 2,142 miles since supply) and it was more than 10 years old. As such, considering the age and mileage of the car, combined with when this issue was noted, I think it is reasonable to expect there to be some wear to a car as a result of its use. As with all used cars, there is an expectation that there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And with second-hand cars – especially with a car of high age and mileage – it is more likely that parts will need to be replaced sooner or be worn faster than with a brand-new car. Overall, I have not seen enough evidence that would show that the repairs that were needed were developing at the point of supply, or that these would render the car of unsatisfactory quality.

As such based on all the available evidence, I do not have enough to say that, most likely, the car was of unsatisfactory quality due to issues in question. So, Mr Y would not be entitled to have his right to reject the car, and I do not think BMF should be responsible for the cost of those repairs.

I know that Mr Y has also indicated that in the first month after supply the supplying dealership fixed the car's brakes. I understand that this was all fixed at no cost to Mr Y. I do not have enough information around what exactly was wrong with the brakes and whether those faults would render the car of unsatisfactory quality. However, even if I would be able to say that the fault with the brakes would render the car of unsatisfactory quality, this would still not make a difference to the current outcome of this decision. I say this because for me to say that the car can now be rejected as one attempt at a repair has been completed, I would have to be satisfied that the faults with the engine render the car of unsatisfactory quality. As I said above, I do not have enough evidence to, on balance, make this finding.

While I sympathise with Mr Y for the difficulties that he is experiencing, based on all the information available in this case, I do not think there is sufficient evidence to say that, most likely, BMF needs to take any further action regarding this complaint.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 12 January 2026.

Mike Kozbial
Ombudsman