

The complaint

Mr B complains that a car that was supplied to him under a hire purchase agreement with Startline Motor Finance Limited wasn't of satisfactory quality. Mr B's wife is also involved in his complaint.

What happened

A used car was supplied to Mr B under a hire purchase agreement with Startline Motor Finance that he electronically signed in July 2024. The price of the car was £7,539 and Mr B agreed to make 60 monthly payments of £211.05 to Startline Motor Finance. Mr B complained to Startline Motor Finance about issues with the car later that month and said that he wanted to reject the car.

It says that Mr B made it aware in September 2024 that the dealer was repairing the car and it had then had no contact from him in relation to the repairs, so presumed that they had been done to a satisfactory standard and his issues had been resolved. Mr B then contacted Startline Motor Finance about the repairs and further faults, including that there was something wrong with the car's brakes. Mr B took the car to the dealer and it says that there was smoke coming from the car's back wheels. The dealer arranged for the car to be inspected by an independent expert in November 2024 and Mr B then complained to this service in April 2025.

His complaint was looked at by one of this service's investigators who, having considered everything, didn't think that Startline Motor Finance had acted fairly. She said that Startline Motor Finance had accepted that there were some issues with the car so she thought that it should have offered Mr B some compensation for the stress and inconvenience caused by having to have repairs done so soon after purchase. She recommended that Startline Motor Finance should pay £150 to Mr B.

It accepted that recommendation, but Mr B says that he wants compensation of about £1,000 to resolve his complaint. He says that there have continued to be faults with the car, he had to pay £84 for repairs in June 2025 and he had to take the car to a garage in August 2025 because the steering rack was leaking. Startline Motor Finance offered to increase the compensation to be paid to Mr B to a refund of one monthly payment of £211.05, but he didn't accept that offer, so I've been asked to issue a decision on this complaint.

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.

Startline Motor Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr B. 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 Mr B was first registered in August 2016 so was about eight years old, it had been driven for more than 70,000 miles and it had a price of £7,539. 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.

Mr B complained to Startline Motor Finance about issues with the car in July 2024, including battery issues, an illuminated engine management light, the windows not functioning as they should, the alternator and starter engine had needed to be replaced and issues with the oil. The dealer repaired the car in September 2024, but Mr B contacted Startline Motor Finance in October 2024 about the repairs and further faults, including that there was something wrong with the car's brakes.

He took the car to the dealer and it says that there was smoke coming from the car's back wheels so it arranged for the car to be inspected by an independent expert in November 2024. The inspection report records the car's mileage as 77,250 miles, so in the four months since the car was supplied to Mr B it had been driven for more than 7,000 miles. The inspection report says:

"I inspected the rear brakes and can report that the contact pattern on the discs is consistent with significant friction contact with the brake pads as if the brake callipers are seized and or the vehicle has been driven with the handbrake on. I can report that the visible brake pads show plenty of material, however the condition of the facing surfaces is obviously not visible. Requiring further .. detailed investigation and dismantling to determine the exact cause and extent of failures. I can report at this juncture that the brake callipers did not appear seized nor was the brake pads seized in the callipers, with no brake fluid leakage evident. The vehicle moved freely backwards and forwards with handbrake operational however, it appears that the handbrake cables have stretched due to the excessive brake lever travel, most probably due to driving with the handbrake partially applied and or partially seized brake callipers/pads.

I inspected the luggage area and found no evidence of water ingress. I inspected the vehicle and can report that the driver's door is fully operational, the door could be opened and closed and although the door seal was slightly worn it was secure. The driver's e/window was functional. I inspected the engine and engine compartment and found the coolant level and engine oil level acceptable. I checked the brake fluid and found the level low and measuring the water content in the fluid found a water content over 3% which is typically considered too high, and lowering the boiling point, compromising the fluid, so replacing the fluid is necessary to maintain safe braking performance. Upon starting the vehicle from cold, it started and idled without difficulties and all dash warning lights came on and extinguished correctly".

In the report's conclusion, it says:

"... we believe that the most likely cause of the current issue with the brakes is due to driver error, driving with the handbrake partially applied".

The car had passed an MOT test in April 2024, with no advisories, and its mileage was recorded as 69,540 miles at that time. In its final response letter to Mr B, Startline Motor Finance says that the car was supplied to him with a recorded mileage of 70,036 miles. The car was repaired by the dealer in September 2024 and the independent expert reported in November 2024 that the brake issue was most likely caused by driver error, the driver's window was functional and the oil level was acceptable. Mr B has complained about other issues with the car and he's provided an invoice for £84 for repairs to the car in June 2025. The invoice records the car's mileage as 88,114 miles, so in less than a year since the car was supplied to Mr B, it had been driven for more than 18,000 miles.

The car was eight years old and had been driven for more than 70,000 miles when it was supplied to Mr B. I don't consider it to be likely that the car could then have been driven for another 18,000 miles in less than a year if there were faults with the car that caused it not to have been of satisfactory quality when it was supplied to Mr B. Mr B says that the car's steering rack is now leaking but, as he's had the car for more than a year in which time it's been driven for more than 18,000 miles, I don't consider that Startline Motor Finance would have any responsibility to him for any such issues.

The investigator recommended that Startline Motor Finance should pay £150 compensation to Mr B for the stress and inconvenience caused by having to have repairs done so soon after purchase. In response to Mr B's request for about £1,000 to resolve his complaint, it offered to increase the compensation to be paid to Mr B to a refund of one monthly payment of £211.05. I consider that to be fair and reasonable and I'm not persuaded that a higher award of compensation is justified in these circumstances.

Mr B says that the car's headlight and bumper were damaged when it was returned to him by the dealer and that he was offered 50% towards the cost of the headlight repair. The complaint that he made to this service is about Startline Motor Finance, not the dealer, and Startline Motor Finance wasn't involved in any agreement that he made with the dealer about those costs. I don't consider that Startline Motor Finance would have any responsibility to him for any of that damage.

Putting things right

I find that it would be fair and reasonable in these circumstances for Startline Motor Finance to refund to Mr B one monthly payment of £211.05 to compensate him for the distress and inconvenience that he's been caused. I'm not persuaded that it would be fair or reasonable for me to require Startline Motor Finance to allow Mr B to reject the car, to arrange or pay for any more repairs to the car, to pay him more compensation than it has offered to pay him, or to take any other action in response to his complaint.

My final decision

My decision is that I uphold Mr B's complaint and order Startline Motor Finance Limited to refund to Mr B one monthly payment of £211.05.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 26 November 2025.

Jarrold Hastings
Ombudsman