

## **The complaint**

Mrs R complains that a car acquired under a hire purchase agreement with Toyota Financial Services (UK) PLC ('Toyota Financial Services') wasn't of satisfactory quality.

## **What happened**

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Mrs R acquired a car under a hire purchase agreement in August 2024; the car was new with a cash price of £33,410.

In March 2025 Mrs R took the car to the supplying dealership for the 10,000-mile health check. Unfortunately, the vehicle couldn't be located on the internal Toyota system. Mrs R returned with the vehicle as advised and the same thing happened. So the car was referred to a specialist.

Mrs R made a complaint to Toyota Financial Services – in May 2025 it upheld the complaint in part. Recognising the distress and inconvenience the situation caused Mrs R it offered a goodwill gesture of £150. But as a fault hadn't been found it didn't support Mrs R's request to reject the car.

The complaint was referred to this Service. Our Investigator considered things but didn't uphold the complaint for similar reasons. Both parties have had sight of these findings, so I won't repeat them in detail here. In summary she didn't think she could say the car was of unsatisfactory quality given that no fault had been found.

Mrs R disagreed, so as an agreement couldn't be reached 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.

Having done so, I've reached the same overall conclusions as our Investigator and for broadly the same reasons. I know this will come as a disappointment to Mrs R, but I will explain my reasons below.

The hire purchase agreement entered into by Mrs R is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Toyota Financial Services is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mrs R entered. Because Toyota Financial Services 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 the age and mileage of the car and the price paid.

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

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 at the point of supply.

It's not disputed that Mrs R experienced some issues with locating the car on Toyota's internal system. And I understand having to take the car to the supplying dealership on several occasions would've caused some inconvenience. But just because there was some inconvenience caused this doesn't automatically make the car of unsatisfactory quality.

I'd be looking for some evidence to demonstrate that there was some sort of mechanical or electrical fault with the car that was present or developing at the point of sale, or that the car failed prematurely and so wasn't sufficiently durable.

Based on what I've seen, on the balance of probabilities, I'm not satisfied there is evidence that shows the car has a current fault. Toyota Financial Services recognised the distress and inconvenience caused and offered compensation for this. I think the amount it offered under these circumstances was both fair and reasonable.

It follows I'm unable to say that there's enough evidence to show that there was a fault with the car. So, I'm unable to say the car was of unsatisfactory quality and I'm therefore unable to uphold the complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 8 January 2026.

Rajvinder Phaiser  
**Ombudsman**