

The complaint

Mr W is unhappy that a bike supplied to him under a hire purchase agreement with CA Auto Finance UK Ltd ('CAF') was of an unsatisfactory quality.

What happened

On 4 August 2024, Mr W was supplied with a used bike through a hire purchase agreement with CAF. The agreement was for £5,383 over 38 months; with 37 monthly payments of £182.58 and a final payment of £192.58. At the time of supply, the bike was approaching nine years old and had done around 29,000 miles.

Mr W said that he started to have issues with the bike shortly after it was supplied to him – there were problems with the indicators and hazard warning lights and, by December 2024, the indicators weren't working properly. He took the bike to a local garage in January 2025, but an attempted repair failed, and he was advised to take the bike to a main dealer. A main dealer diagnosed a fault with the instrument panel and dashboard. This was repaired in February 2025.

Mr W complained to CAF that the bike wasn't of a satisfactory quality when it was supplied to him, which made the bike unsafe, and he asked them to cover the repair costs. CAF didn't uphold the complaint, saying that there was insufficient evidence the bike was faulty when it was supplied. However, they offered to contribute £250 to an independent inspection to determine if the bike wasn't of a satisfactory quality at the point of supply – an offer Mr W didn't accept.

Unhappy with this response, Mr W brought his complaint to the Financial Ombudsman Service for investigation.

Our investigator said that, while the bike had developed a fault, it didn't necessarily mean it was of an unsatisfactory quality when it was supplied to Mr W. The bike passed an MOT in July 2024, and was serviced in September 2024, without any indications of a fault; and, as Mr W had had the bike repaired, it would not be possible for an independent inspection to now identify whether the faults were present at supply.

So, based on this and the age and mileage of the bike when the faults occurred, the investigator thought the bike was of a satisfactory quality when it was supplied. And CAF didn't need to do anything more.

Mr W didn't agree with the investigator's opinion. He said that the fault occurred within the first six months of ownership, and this made CAF liable for repair or proving the bike was in a satisfactory condition when it was supplied to him. He didn't think it was reasonable for the instrument panel to fail when it did, and he only had the repairs done as it posed a safety risk to use the bike without repairs being completed.

He also raised issues with how CAF had dealt with his complaint, and that there were now further faults with the bike – specifically the cooling fan.

Because Mr W didn't agree with the investigator's opinion, this matter 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 the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr W was supplied with a bike under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the bike should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, CAF are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the bike must last a reasonable amount of time.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the bike was supplied, unless CAF can show otherwise. So, if I thought the bike was faulty when Mr W took possession of it, or that the bike wasn't sufficiently durable, and this made the bike not of a satisfactory quality, it'd be fair and reasonable to ask CAF to put this right.

Before I explain why I've reached my decision, I think it's extremely important for me to set out exactly what I've been able to consider here. Mr W has commented about how CAF handled and responded to his complaint. However, complaint handling is an unregulated activity and so, falls outside of our service's jurisdiction to consider. So, the way CAF handled Mr W's complaint hasn't been considered as part of my decision.

Mr W has said that he was having problems with the bike from the point it was supplied to him. However, there's nothing to show this was the case, or that he raised the issues with the indicators and/or cooling fan with either the supplying dealership or CAF at this point.

The bike was serviced on 13 September 2024, when it had done 30,344 miles. I've seen a copy of the service invoice, and it makes no reference to issues with the indicators or the cooling fan. If the faults were presenting themselves at this time I would have reasonably expected Mr W to have made the service company aware of this, and I would also have reasonably expected the service company to have identified these issues.

Mr W has provided a video showing an issue with the indicators. However, this video also shows the mileage on the bike to be 31,309 miles. As such, I'm satisfied that this evidence dates after the service that took place on 13 September 2024.

Mr W has also provided proof that he paid a local garage £120 for an attempted repair on the bike on 7 February 2025. An email from the garage confirms that Mr W reported a faulty indicator, and they replaced the switchgear which didn't resolve the problem. So, they advised Mr W to contact a main dealer. However, the garage hasn't made any comments about when this fault likely developed, or said that the bike would've been faulty when it was supplied to Mr W.

I've seen the report from the main dealer which confirmed the cooling fan was damaged and was catching the fan wires. And, on 13 February 2025, the instrument panel on the bike was replaced at a diagnosis and replacement cost of £1,218.01 (including VAT). At the same time Mr W had leaking fork seals replaced, as well as replacing the brake pads and discs that had been damaged by this leak. The cooling fan wasn't repaired at this time.

CAF responded to Mr W's complaint about 'major faults with the bike' on 10 April 2025, and the same day he brought his complaint to ourselves, raising the issues of the faulty dashboard and non-functioning cooling fan.

Mr W has said that, because the faults with the bike occurred within six months of supply, it's for CAF to prove the bike was of a satisfactory quality when it was supplied to him, and not for him to prove it wasn't. I'm in agreement that this is what the CRA implies.

The evidence I've referred to above doesn't show any issue with the bike until 31,309 miles – around 1,000 miles after the service that took place on 13 September 2024. Based on the mileage that Mr W had done between supply and the service, I think it's likely that this video showing the indicator fault was taken in late-November 2024. This, and the initial repair attempt by the garage was within six months of the bike being supplied to Mr W. As such, I'm satisfied the CRA implies the faults with the bike were present at the point of supply, unless there is evidence to prove otherwise.

While I would usually expect the financial business to provide this evidence, I don't think this is necessary in this instance. I say this because the evidence Mr W has supplied shows that it is more likely than not that the faults **were not** present when the bike was supplied. This is evidenced by the service record – the service didn't identify any issues with the indicators or cooling fan, and there's nothing to show that Mr W raised these concerns at the time of the service. What's more, the first evidence of any issue with the bike relates to some weeks after the service took place. As such, I'm satisfied that there were no issues present or developing when the bike was supplied to Mr W.

For completeness, I've also considered whether the bike was sufficiently durable when it was supplied to Mr W. At the time of supply the bike was almost nine years old and had done around 29,000 miles. As the investigator explained, any reasonable person would expect the bike to be road worn, and it might need repair and/or maintenance much sooner than a brand-new bike.

The dashboard is an exposed electrical component and, as such, its lifespan will be affected by factors such as its exposure to the elements. Water ingress, either due to weather or washing, can occur, and can cause electrical issues that eventually require replacement. Dry storage is also a factor, and there's no way of knowing how the bike was stored in the years before it was supplied to Mr W, or what exposure to the elements it had.

As such, I can't say that the failure of the dashboard after nine years is such that it failed prematurely due to a lack of durability. With regards to the cooling fan, the main dealer has identified that the fan had been damaged. As damage is usually associated with external factors, I'm also satisfied that this is not a durability issue.

Given this, and while I appreciate this will come as a disappointment to Mr W, I'm not satisfied the bike had faults that were present or developing when it was supplied to him, nor am I satisfied the bike was insufficiently durable at the point of supply. Therefore, I'm satisfied the bike was of a satisfactory quality when it was supplied, and I won't be asking CAF to take any further action.

My final decision

For the reasons explained, I don't uphold Mr W's complaint about CA Auto Finance UK Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 13 November 2025.

Andrew Burford
Ombudsman