

## The complaint

Mr N complains that a vehicle he acquired through a hire purchase agreement financed by Black Horse Limited (BH) was misrepresented to him.

## What happened

In November 2024 Mr N acquired a used car through a hire purchase agreement. The car was around three years old, and it had travelled about 23,500 miles at the time of supply.

Mr N took the car to a specialist to apply a protective coating in January 2025. Mr N said he was told that the car's bodywork has been previously repaired, including repainting.

Mr N arranged for a paint specialist to examine the car in February 2025. The specialist reported that repairs had been completed on the right-hand front corner and rear bumper of the car. They concluded that the repairs to the front of the car indicated an insurance repair, but the repairs to the rear of the car were more recent and of a lower standard. They didn't think they were commercially acceptable and suggested they would've been identifiable to a trade or experienced private buyer, and so would be likely to affect the resale value of the car.

Mr N complained to BH in March 2025. He said the accident damage wasn't disclosed, which significantly impacts the value of the vehicle, and so he asked to return the car for a full refund including additional costs incurred.

BH sent Mr N their final response to his complaint in April 2025. They said they weren't able to uphold Mr N's complaint about misrepresentation, as they weren't party to the conversations at the point of sale. They offered to arrange for repairs to the paintwork to be completed, and to pay Mr N £300 for the distress and inconvenience caused. They said they'd consider refunding the cost of Mr N's expert report.

Unhappy with BH's response, Mr N brought his complaint to this service for investigation. He said he believed the car was misrepresented to him as the accident damage wasn't disclosed, and if it had been he wouldn't have continued with the purchase or would have negotiated a significantly lower price. Mr N said he'd like BH to take back the car and cancel the agreement, or refund 20% to 30% of the car's value.

Our investigator gave their view that they weren't persuaded that Mr N had been given false information about the car, and so it wasn't misrepresented to him. They said there was no requirement for the dealership to disclose any previous repairs, and Mr N was responsible for assessing the vehicle prior to purchasing it.

Mr N didn't agree, he said he specifically asked about accident history and was told the car hadn't been in an accident. Mr N said the dealership should've disclosed the accident history and the onus should not be on him to investigate prior to purchase.

As an agreement can't be reached, the case has been passed to me for a decision.

## 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.

I hope that Mr N won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Mr N should note, however, that although I may not address each individual point that he's raised, I have given careful consideration to all of his submissions before arriving at my decision.

As the agreement entered into by Mr N is a regulated consumer credit agreement this Service is able to consider complaints relating to it. I have also taken into account s.56 of the Consumer Credit Act (1974), which explains that finance providers are liable for what they say and for what is said by a credit broker or a supplier before the consumer enters into the credit agreement.

In order to be satisfied that the car was misrepresented to Mr N, I need to be satisfied that there was a false statement of fact, and that the statement induced Mr N into entering an agreement that he wouldn't otherwise have entered. In very limited circumstances, a misrepresentation can also be an omission of a fact. In other words, where something hasn't been said that should've been.

Mr N has said that he asked the dealership about the history of the car and was told it hadn't been in an accident. BH say there's no record of this exchange.

Where evidence is incomplete, inconsistent or contradictory, I reach my view on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

I haven't seen a copy of the original advert for this car, it's simply no longer available. And there's no record of the conversation Mr N had with the dealership about the history of the car. So, whilst I've considered Mr S's testimony as evidence in this case, I've also considered the wider circumstances.

I can see that Mr N has repeatedly said that he would expect the dealership to disclose any previous accident damage when purchasing a car, and he has noted a number of times that there was no disclosure made to him about the car having suffered accident damage. His complaint has centred around non-disclosure of the accident repairs that he later discovered, and his belief that the dealer should have told him about this prior to him acquiring the car.

Whilst I'm not discounting Mr N's testimony, I find it more likely than not, on the balance of probability, that the dealership marketed and sold the car as being in excellent condition, with no major issues rather than free from any previous accident damage.

Accordingly, I'm satisfied that there was no false statement of fact by BH (or the supplying dealership). So, I've gone on to consider whether by omitting to say the car had been in an accident previously constitutes a misrepresentation by BH (or the supplying dealership).

Although a dealership might make enquiries into a car before selling it, these checks are for its benefit, not the potential purchaser's benefit. However, I would expect that anything a supplying dealership discovered on making its own checks that might have a bearing on a consumer's decision to purchase the car in question be shared with them.

I've seen evidence of the checks completed by the dealership, and there is no mention of the accident damage in these checks, and there were no markers on any check or any record of

insurance repairs, write off, or salvage activity. Mr N had an opportunity to inspect the car prior to entering the agreement, and it doesn't appear that the previous repair work was noted by either him or the dealership.

I've seen no evidence to indicate that the supplying dealership identified information about the car that should have, as a matter of fairness, been shared with Mr N.

I would also add that when buying something like a used car there is an expectation that the buyer makes their own enquiries to satisfy themselves of the car's history and price.

I appreciate that Mr N will be disappointed, especially given that he says the car's value is less than it would be without the history of accident repairs. But I'm satisfied, in the particular circumstances of this case, that there has been no misrepresentation by BH (or the supplying dealership).

For completeness, I've considered whether the car was otherwise of unsatisfactory quality at the time it was supplied to Mr N.

The Consumer Rights Act 2015 (CRA) is relevant 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"

To be considered "satisfactory" the goods would need to meet the standard that a reasonable person would consider satisfactory – taking into account any description of the goods, the price and other relevant factors. Those factors, in the case of a car purchase, will include things like the age and mileage of the car at the time of sale, and the car's history. The quality of the goods includes their general condition and other things like their fitness for purpose, appearance and finish, safety and durability.

Here the car was acquired used with a cash price of around £22,000. It was around three years old and had travelled about 23,500 miles at the time of supply.

I think a reasonable person acquiring a used car such as Mr N's might expect that some repair work had taken place previously. The report that Mr N obtained in respect of this work notes that no structural issues were identified, and as outlined above there are no markers recorded for insurance write off or salvage activity. Mr N inspected the car and agreed to acquire it at the price that he did based on the apparent visual condition of the bodywork. All things considered, I find that the car was of satisfactory quality at the time it was supplied to Mr N.

BH have made an offer to Mr N pay to rectify some repairs that the specialist has noted as being below standard, and they've offered to refund the cost of this report and pay Mr N £300 compensation. Mr N may wish to ask BH if this offer is still available.

### **My final decision**

For the reasons outlined above, my final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 6 March 2026.

Zoe Merriman  
**Ombudsman**