

## The complaint

Miss W complains she was misled about a finance agreement she entered into with Black Horse Limited ('Black Horse'). She says she wasn't told about the total amount she would repay and she was told she couldn't exit the agreement within the cooling off period. Miss W also says that the car she acquired wasn't of satisfactory quality.

## What happened

Miss W's complaint is about the quality of a car she acquired in March 2025. The car was used, and it was first registered in June 2018. So, it was just under seven years old when Miss W received it. It had covered 36,667 miles.

Miss W acquired the car using a hire purchase agreement that was started in March 2025. The vehicle had a retail price of £10,713. Miss W paid a £300 deposit meaning £10,413 was financed. Miss W also purchased insurance products with a value of £1,497. This agreement was to be repaid through 60 monthly instalments of £250. Which was comprised of £218.58 for the car and £31.42 for the insurance products. If Miss W made repayments in line with the credit agreement, she would need to repay a total of £13,414.80 for the car and £1,885.20 for the insurance products.

Miss W has complained about the quality of the car and that it was misrepresented to her at the time of sale. Below is a summary of the issues complained of by Miss W and the investigation and repair work that has been carried out, alongside what has happened in respect of the complaint.

In April 2025, Miss W complained to Black Horse saying that the agreement was mis-sold as she was not told about the full amount of the finance at the time she started it, and she says she was given incorrect information about being able to withdraw from the agreement within 14 days.

Black Horse considered this first complaint, and it didn't uphold it. It said that it gave full information to Miss W about the cost of the car and finance in the agreement, which included the cooling off rights. It explained what Miss W needed to do to withdraw from the agreement. This response was provided within the 14 day cooling off period.

Miss W didn't withdraw from the agreement, but she went on to complain that the car wasn't of satisfactory quality due to problems with the speedometer and the battery. She also said her name isn't correctly recorded on the finance agreement.

The dealership tested the speedometer using a GPS (global positioning system) and found that there was only a small difference between what the GPS said and what the car speedometer showed. It thought this was acceptable and was within the manufacturer's tolerances. It doesn't think this shows that the car wasn't of satisfactory quality.

The dealership has also provided documentation which shows it tested the battery before the car was supplied to Miss W and at this time its 'health' was at 65%. But the battery did

fail in August 2025 and was replaced. The cost of looking at the battery, and replacing it, were borne by the dealership.

Black Horse considered the quality of goods complaint, and it didn't uphold it. It said in the second response that it didn't think the car was of unsatisfactory quality due to the issues Miss W had raised about the speedometer and the battery. Miss W didn't agree with this and brought her complaint to the Financial Ombudsman Service.

Our Investigator didn't uphold Miss W's complaint. She said that she didn't think the car was of unsatisfactory quality due to the issues Miss W had with the battery and the speedometer. She also thought that the agreement, including the amount Miss W would pay and the cooling off periods were not misrepresented. And she didn't think the agreement had been set up incorrectly.

Miss W didn't agree with the Investigator. She said she was told by Black Horse that she had no right to withdraw and if she had been told the truth she would have withdrawn from the agreement. And her correct legal name was not recorded on the agreement. She did not agree that the car was of satisfactory quality as the battery failed almost immediately.

There was some further correspondence, but no new issues were raised. I can see that both our Investigator and Miss W have tried to obtain some telephone records, but they have not been able to. Because Miss W didn't agree, this matter has been passed to me to make a final 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.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider was good industry practice at the relevant time.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

The agreement in this case is a regulated hire purchase – so we can consider a complaint relating to it. Black Horse as the supplier of the goods under this type of agreement is responsible for a complaint about their quality.

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 – considering any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the car's history.

The quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of this.

This car was just under seven years old when Miss W acquired it and it had travelled around 37,000 miles. I think a reasonable person would accept that such a vehicle would probably have some parts that are worn and would need replacing sooner or later – which is reflected in the lower price paid in comparison to a new vehicle.

But there's also a reasonable expectation that a vehicle will be relatively durable - taking into account its age, price and mileage at the outset. So even though the vehicle wasn't new Miss W should have been able to use it for a reasonable period before it needed significant work.

### **Was there a fault with the car and did this mean that the car wasn't of satisfactory quality?**

Miss W has said that the car is faulty for two reasons. The first is that the speedometer may not be working correctly and the second is that there was a problem with the battery.

Looking at these in turn, the speedometer has been tested by the dealership, and it's found that it isn't faulty and gives a similar reading to an alternative system. I've seen the report about when this was looked at and it also said the car had no faults at all. Given this, I'm not persuaded that the car was faulty for this reason, at this time.

It's acknowledged that the battery failed in the car about four months after Miss W had acquired it, and when she had driven it around 800 miles. So, it had developed this fault.

But this doesn't necessarily mean that the car wasn't of satisfactory quality at the time of supply. The overriding factor here is that this was a used car that had travelled a significant number of miles before Miss W acquired it. So, it was always going to need some repairs and maintenance over time, as it did. I've thought about whether the battery problem was reasonable for a car of this age and prior usage.

The battery was old when Miss W acquired the car and was likely to need to be replaced sooner or later due to this. I don't think the battery reaching the end of its life was an indication of a fault with the car, rather that this part of the car had worn out over time.

It follows that, having looked at everything, I don't think there is enough for me to say that the car was not of satisfactory quality when it was supplied to Miss W.

### **Miss W's complaints about the misrepresentation of the contract**

Miss W says she was given false information by the dealership about the terms of the contract and whether she could withdraw from it within 14 days.

Black Horse wasn't a party to some of the sales negotiations, and it may not have been aware of what was discussed between Miss W and the dealer. But it can still be responsible for what was discussed and the information that Miss W was provided by a broker and car dealer. This is because section 56 of the Consumer Credit Act 1974 establishes that a finance company can be held responsible for antecedent negotiations carried out by their agent that take place before the agreement is entered into.

So, to uphold this complaint, I need to be satisfied that a misrepresentation has taken place. This means I would need to see that a false statement of fact about the agreement were made, and this false statement induced Miss W into entering into the agreement. And if this false statement wasn't made that she wouldn't have entered into the agreement.

Miss W has firstly said that she was misled about the total amounts she would repay in the agreement. But I have seen the finance documentation, and it does clearly show the total repayment amount. And I think it's reasonable to say the written information she received was correct and doesn't misrepresent the contract.

Miss W has said she was given incorrect or incomplete information either by the dealer or Black Horse about this. But whilst I've noted what she has said there isn't anything further to support this. And the agreement is clear about what she would pay. So, I'm not persuaded that the agreement, or the sales process itself, misled Miss W about the finance agreement.

The crux of Miss W's complaint is that she was misled, or not given full information about, the 14 day cooling off period in the contract. She's said at various times that the car dealer, and or Black Horse, told her that she couldn't end the agreement.

As a starting point the finance agreement does outline the cooling off period that forms part of the contract. And Miss W complained very soon after she started the agreement about this and she was also given an explanation, within the time she could withdraw from the contract, about how she could do this. So again, the further written information from Black Horse is reasonable and doesn't show that Miss W was misled. And there isn't anything further to support Miss W's complaint that she was given incorrect information by Black Horse verbally.

And, as has been discussed, it's worth noting that whilst Miss W could exit the finance agreement within the cooling off period she wasn't able to exit the agreement to purchase the car. There is no cooling off period for the car purchase agreement. Miss W may have been told this, which would have been correct, but could also have led to some confusion.

And this also leads on to the fact that even if Miss W cancelled the finance agreement she would still need to pay for the car. Miss W has not been able to say how she would otherwise pay for the car if the finance wasn't in place. In the absence of this I'm not persuaded that even if Miss W could show she was misled that she would have been able to exit the finance agreement because I'm not persuaded that she had an alternative means to pay for the car.

As this is the case, I don't think that any further information, such as recordings of the telephone calls that surround these events, would lead to a change in my decision.

I'm not upholding Miss W's complaint that the agreement was misrepresented.

Miss W has noted that the agreement may not have her full name. As her middle name is used rather than her first name. But her driving licence is also in this format and so I don't think that Black Horse has acted incorrectly in setting up the agreement in this way, as she does seem to use her middle name at times. And what is important in a legal sense is that it can be demonstrated that Miss W and Black Horse agreed to enter into the agreement. I don't think there is any doubt about this.

Miss W said the sale was rushed but I Black Horse wasn't involved in this actual sale process to a great degree. And it did provide adequate information to her. So, I don't think I can uphold this part of her complaint.

Overall, I don't think that the sale of the finance was misrepresented to Miss W and I don't think the car wasn't of satisfactory quality.

I can see that Miss W feels very strongly about all of this, and I understand my decision will not be the answer she is hoping for. I hope it doesn't cause her any further undue distress.

Miss W has also raised some issues about the affordability checks (including her employment details) these do not form part of the issues she has raised to Black Horse so far and Miss W will need to contact Black Horse about them before the Financial Ombudsman can become involved, if this is what she wants to do.

### **My final decision**

For the reasons set out above, I don't uphold Miss W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 27 November 2025.

Andy Burlinson  
**Ombudsman**