

## **The complaint**

Mr B complains that FIRST RESPONSE FINANCE LIMITED ("FRF") failed to compensate him for the cost of a hire vehicle and for his distress and inconvenience.

## **What happened**

In April 2024 Mr B acquired a used vehicle at a cost of £12,750. It was funded by a hire purchase agreement provided by FRF. Mr B has told us that the vehicle had problems within a few weeks and it was taken back to the dealer. He was given a courtesy car and waited for it to be repaired. Mr B stopped making payments to FRF and didn't respond to its attempts to contact him until 6 November 2024. I gather the dealer had ceased to trade at some point between April and November 2024.

On hearing from Mr B FRF agreed to cancel the agreement and return the payments he had made. It asked that he return the courtesy vehicle. Mr B said the courtesy vehicle wasn't suitable for his needs and he had to hire another one at a cost of £400 a week. He asked FRF to cover this cost and pay £2,000 compensation.

FRF rejected this request so Mr B brought a complaint to this service. It was considered by one of our investigators who didn't recommend it be upheld. She noted the vehicle was faulty and FRF had taken the appropriate action in ending the agreement and refunding Mr B's payments. She also explained that she could not consider Mr B's complaint that the vehicle had been mis-sold since he had not made that complaint to FRF.

Mr B didn't agree and said he had had to rent another vehicle for work since the courtesy vehicle wasn't suitable. He said he had been misled by the dealer and it was fair that he receive some recompense.

## **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 do not consider I can uphold this complaint. I will explain why.

Under Section 56 of the Consumer Credit Act, finance providers can be held liable for what the credit broker and seller say about the goods (vehicle) before the regulated credit agreement is entered into by the consumer and before the purchase is made.

This refers to 'antecedent negotiations'. This means if Mr B entered a credit agreement for a vehicle and it turns out something he was told about the agreement by the credit broker, which induced him into entering the contract, was false, the broker can be held responsible for the actions of the broker under certain circumstances.

The Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account things such as the

age and mileage of the car and the price paid. The legislation says that the quality of the goods includes their general state and condition, and other things like fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

It is not disputed that the vehicle Mr B acquired was not of satisfactory quality and FRF did as it should by unwinding the agreement and paying back to Mr B the payments he had made.

Regrettably Mr B chose not to engage with FRF despite its efforts to make contact with him. If he had done so then the agreement could have been terminated much earlier and he would not have had to incur the additional costs. It was his decision not to make contact with FRF and I cannot say it should be held responsible for that.

This complaint is about the actions of FRF and not the dealer. I appreciate Mr B feels the dealer let him down, but that does not mean FRF can be held responsible for the dealer's failings in this matter.

In short Mr B chose to ignore FRF and to rent another vehicle and FRF is not responsible for any such costs he may have incurred. I cannot see how it can be said that FRF has done anything wrong.

### **My final decision**

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 B to accept or reject my decision before 25 November 2025.

Ivor Graham  
**Ombudsman**