

The complaint

Mr W complains that the car he acquired through Toyota Financial Services (UK) PLC, trading as Redline Financial (“TFS”), wasn’t of satisfactory quality. He wants TFS to cover the cost of repair, or to have the credit agreement cancelled and the car returned.

What happened

Mr W entered into a hire purchase agreement in December 2022 to acquire a used car. The cash price of the car was £18,352.01, and after taking account of the advanced payment of £99, the credit provided totalled £18,253.01. The total repayable was £23,316.71 and was to be repaid through the credit agreement which was set up over a 48-month term with monthly rentals of £337.93. At the time of acquisition, the car had already been driven nearly 60,000 miles and was around five and a half years old.

Mr W told us:

- Shortly after acquiring the car, it entered *limp mode* and a warning light illuminated;
- a garage confirmed a fault with the *diesel particulate filter* (DPF) and a forced regeneration was undertaken;
- in March 2023, following further issues, he took the car to be repaired and the DPF, the EGR, and the turbo actuator were replaced under warranty;
- just over a year later in May 2024, a similar fault presented affecting the DPF, the EGR, with excessive soot levels, but because the warranty had now expired, he was faced with a repair bill of more than £2,000;
- he believes the car was not of satisfactory quality when it was supplied, and the repeat faults indicate an underlying issue;
- he wants TFS to be held responsible and to pay for the cost of repairs, failing which, he wants to exit the credit agreement and be compensated for the financial impact of what has happened.

TFS rejected the complaint about the satisfactory quality of the car it had supplied, but it did pay Mr W £50 for the poor service and the time it had taken to investigate his complaint.

TFS said that in February 2023, the supplying dealership investigated the issue raised by Mr W and carried out a forced regeneration of the DPF in accordance with the instructions from the manufacturer. In March, following some diagnostics and some high soot readings, the DPF, the EGR filter and the turbo were all replaced under warranty and at no cost to Mr W.

TFS says that although parts had been replaced, in July 2024 the car was assessed because of an illuminated engine management light. The manufacturer trained technician found “*excessive soot in the exhaust, poor DPF efficiency and low flow through the EGR system*”. But it said that in its experience, this was due to driving style rather than parts failure or defective parts, and it had seen nothing to suggest that this was the result of failed previous repairs.

TFS told Mr W that under the Consumer Rights Act 2015 (“CRA”), *“after six months of purchase the onus lies with the consumer for repairs, or to provide evidence confirming the issues were either evident or developing at the point of sale”*.

TFS said that the DPF is checked during a car’s MOT, and the car passed an MOT on 30 December 2022 – immediately before Mr W acquired the car – with no advisories about the DPF.

Our Investigator looked at this complaint and said she didn’t think it should be upheld. She acknowledged that there had been a fault with the car and it had undergone a forced regeneration, before parts were replaced under warranty. But she noted that after these repairs had been undertaken, it wasn’t until July 2024 – a further 14 months later, and 19 months after acquiring the car – that Mr W reported further problems which were reported as being a result of excessive soot build up resulting in low DPF efficiency.

Our Investigator explained that with diesel cars of this type, there was a need to undertake longer journeys at higher speed to regenerate the DPF; small, regular, short journeys can lead to a build up of soot, clogging the DPF, leading to the need to replace it.

Our Investigator said that the supplying dealership had reported that the DPF issues in July 2024 were not a result of a failed previous repair, but rather the result of driving style. And she said she’d seen no evidence from Mr W – the fault he complained about was more than six months after the car was supplied – that showed this fault was present or developing at the point of supply.

Mr W disagreed and said that the fault arose within three weeks of the car being supplied; the MOT didn’t check the condition of the DPF; and his statutory short-term right to reject the car was ignored. Mr W said the fact that these parts failed means the car wasn’t durable, and he doesn’t accept his driving style is a factor.

Our Investigator looked again at the evidence but said she still didn’t think that this complaint should be upheld. She acknowledged the issues that had arisen with the DPF within the first six months of the car being supplied but explained that these were outside the strict 30-day deadline for Mr W to be able to exercise his short-term right to reject the car, and furthermore, she’d seen no evidence that Mr W had asked to reject the car. She also noted that Mr W had agreed to repairs and these had been undertaken.

Our Investigator explained that since February 2014, it has been mandatory for DPFs to be assessed as part of a standard MOT check, involving a visual inspection of the component.

In terms of the fault in July 2024 that Mr W had complained about, our Investigator noted that Mr W had by now driven more than 13,000 miles and she’d been provided with nothing to suggest that the fault was present or developing at the point of supply.

Mr W disagrees so the complaint comes to me to decide. He also notified this Service that he had exercised his right to voluntarily terminate his finance agreement with TFS.

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 agree with our investigator – I don’t think this complaint should be upheld, and I’ll explain why.

I hope that Mr W 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 W 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.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mr W is a regulated consumer credit agreement this Service is able to consider complaints relating to it. TFS is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the quality of the goods.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless TFS can show otherwise. But, if the fault is identified after the first six months, then it's for Mr W to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr W took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask TFS to put this right.

So, what I need to consider in this case is whether the car *supplied* to Mr W was of satisfactory quality or not.

I don't think there's any dispute that Mr W has experienced problems with the car. That has been well evidenced by his testimony. But I'm of the view that, based on what I've seen, the faults with the car that were highlighted within the first six months of supply were addressed with repairs and replacement parts at no cost to Mr W.

I've seen no evidence that Mr W brought a complaint about faults with the car *and* at the same time exercised his short-term right to reject the car within the first thirty days. So I'm satisfied that Mr W has not had any statutory short-term right to reject ignored, as he claims, as there's simply no evidence that he exercised that right.

Where a fault arises within the first six months of supply, there's a presumption that the fault was present or developing when the car was supplied, unless the business – TFS – can prove otherwise. In these circumstances, the business is entitled to an opportunity to repair the car. And only if those repairs fail, or further faults arise that were present or developing when the car was supplied, can the consumer – Mr W – ask to reject the car.

In this particular case, I've seen no evidence that the repairs undertaken under warranty and at no cost to Mr W have subsequently failed. And I've seen no evidence of further faults that were likely present or developing at the time the car was supplied in December 2022.

I acknowledge the further problem Mr W experienced in July 2024 when the DPF faulted, but I've seen nothing that suggests this is a result of a fault with the car that was present or developing at the point it was supplied, or that alternatively, it's the result of a failed repair – earlier remedial work that wasn't completely successfully. And under the CRA, because at this point the fault complained of is more than six months after the car was supplied, then it's for Mr W to show the fault was present or developing when he first acquired the car.

Looking at everything sent to this Service by both Mr W and by TFS, I simply don't consider I've seen sufficient evidence to determine that the car wasn't of satisfactory quality. In my view, to make a successful claim Mr W would need to provide more evidence to demonstrate – whether by reference to absolute proof or on the balance of probabilities – that the underlying reason for the failure is attributable to a part or parts of the DPF system being defective or insufficiently durable.

Now, it may also be the case that Mr W believes there's a fault with the car that has been there since he acquired it; or he simply does not have full confidence in the repairs that have been completed; or he fears that other faults may manifest themselves in the future. In this situation, as he's had the car for more than six months, it would be for Mr W to instruct a recognised independent engineer to inspect the car.

In the event an independent engineer concluded that the repairs had not been successful - they'd not addressed the original faults, or alternatively, the engineer identified further faults that were likely *present or developing at the point of supply*, then Mr W could bring a new complaint directly to TFS.

I acknowledge the difficulty Mr W now faces – he says he's recently voluntarily terminated the credit agreement, so it may be that he no longer has access to the car. But based on the evidence I've seen and taking account of everything in the circumstances of this case, I can't uphold this complaint.

I know Mr W will be disappointed with the outcome of his complaint, but I hope he at least understands why I've reached the conclusions that I have.

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 W to accept or reject my decision before 16 February 2026.

Andrew Macnamara
Ombudsman