

The complaint

Mr K complains about the quality of a vehicle that was supplied through a motor finance agreement with MI Vehicle Finance Limited (MVF).

What happened

In July 2024, Mr K acquired a caravan through a hire purchase agreement with MFL. The vehicle was around ten years old when it was supplied to Mr K. The cash price of the vehicle was £13,995. An advanced payment of £2,995 is listed, so the total amount financed on the agreement was £11,000 payable over 36 monthly repayments of £356.96.

Mr K said that some months after acquiring the caravan it experienced a leak, so it was taken back to the dealership for repairs. However, Mr K said following the repairs there was an issue with the heater and damp inside the vehicle.

Mr K said he was told further investigations would need to be carried out before they can conclude things.

MFL hadn't issued their final response to the complaint, so, in June 2025, Mr P brought his complaint to our service where it was passed to one of our Investigators to look into. To resolve things Mr K said he wants the vehicle repaired or returned.

Within their file submission, MFL said an independent inspection carried out on the caravan confirmed the current leak wasn't related to previous repairs, but wear and tear damage, and that there was no damp found. It also said the heater issue was also wear and tear related, However, MFL offered to refund two month's rentals to acknowledge the time it was being repaired, to repair the heating and awning strip at no cost to Mr P, or to pay for a quotation for repair from a third party engineer, and to pay Mr K £250 in compensation for the distress and inconvenience caused.

In September 2025, our Investigator issue their view and recommended that the offer made by MFL was fair in the circumstances. In summary the Investigator didn't consider there was evidence to show the repairs had failed and that the current issues were likely due to in-service wear and tear give the age and mileage of the vehicle.

During a phone call with our Investigator in September 2025, Mr K agreed to have the vehicle repaired. However there appears to have been a dispute over how the repairs should be paid for. Mr K said he preferred MFL to pay him directly, however MFL said they'd be willing to pay an invoice directly with the repairing garage after a review of it.

As a resolution was unable to be reached, the case has been referred to an ombudsman 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've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Firstly, I'm aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

Mr K complains about a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr K's complaint about MFL. MFL is also the supplier of the goods under this agreement, and is responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "*the quality of the goods is satisfactory, fit for purpose and as described*". To be considered as satisfactory, the CRA says the goods 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 vehicle's history.

My starting point is that MFL supplied Mr K with a caravan that was around ten years old. With this in mind, I think it's fair to say that a reasonable person would expect the level of quality to be less than that of a brand-new car with lower mileage; and that there may be signs of wear and tear due to its usage which may impact its overall quality and reliability, so there'd be an increased likelihood of unforeseen problems surfacing sooner than in a new vehicle.

From the information provided I'm satisfied there was a fault with the caravan. This is apparent from the independent inspection report which concluded there was an issue with the heating control panel and the cosmetic awning rail strip. Having considered the caravan had a fault, I've considered whether it was of satisfactory quality at the time of supply.

Mr K's primary concern is that the previous repairs to the water seals have failed, resulting in water ingress into the vehicle. He also raised an issue with the heating system.

The independent inspection report confirmed that the external water seals had been repaired to a satisfactory standard and found no evidence of internal damp. It concluded that the defective strip was due to age-related wear and tear.

Regarding the heating system, the report noted that it was generally functioning as intended, but there was a fault with the control panel PCB. It also stated that such a failure is not unusual for a caravan of its age.

Aside from this report, I've not seen any contrasting expert evidence or diagnostics indicating that the faults reported by Mr K were inherent or rendered the caravan unsatisfactory in quality. There is no evidence to suggest that previous repairs have failed. Considering the age and mileage of the caravan, I'm not persuaded that the issues with the heating or the seal strip make it of unsatisfactory quality.

On this basis, I don't consider that MFL needs to take further action regarding this complaint. In its submission, MFL offered to refund two monthly repayments to acknowledge the time Mr K was without the caravan and to pay £250 in compensation for distress and inconvenience. Our investigator considered this offer fair in the circumstances, and Mr K accepted it.

However, I note there has been some disagreement about obtaining a quotation for repairs. It's not within the remit of our service to administer the execution of an offer made by a firm, however, I would encourage both parties to work together to reach a satisfactory resolution.

My final decision

My final decision is that I don't uphold Mr K's complaint about MI Vehicle Finance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 9 January 2026.

Benjamin John
Ombudsman