

The complaint

Mr H complains about the quality of a vehicle that was supplied through a hire purchase agreement with Zopa Bank Limited (Zopa).

What happened

In April 2024, Mr H acquired a used car through a hire purchase agreement with Zopa. The car was about eight years old and had travelled 114,000 miles when it was supplied. The cash price of the car was £11,000. A deposit of £1,000 is listed, so the total amount financed on the agreement was £10,000 payable over 48 monthly repayments of £268.26.

In April 2025, Mr H complained that soon after acquiring the car, the car developed multiple faults. He returned it to the dealership twice for repairs, but issues persisted. Mr H said the situation escalated when the rear bumper fell off on the motorway, and an inspection revealed it had been secured with woodscrews. Other unresolved problems included a faulty auxiliary battery, smoke from the engine, and gearbox issues.

Mr H said he's spent his own money on repairs and arranged an independent vehicle inspection, which he shared with Zopa. He believes Zopa failed to appreciate the severity of the car's condition. Additionally, he said he incurred three parking fines while the dealership handled repairs and received no documentation detailing what had been fixed or replaced.

In June 2025, Zopa issued their final response to Mr H's complaint which they didn't uphold. In summary it confirmed Mr H complained about a failed gearbox, rear bumper fallen off, smoke from the rear of the car and a fault with the auxiliary battery. It said an independent inspection of the car, arranged by Mr H, concluded that the current faults were not considered to have been developing at the point of sale.

Unhappy with their decision, Mr H brought his complaint to our service where it was passed to one of our Investigators to look into.

In his complaint form, Mr H said to resolve things he wants to return the car and end the finance. However, in August 2025, Mr H told us that Zopa had agreed to take the car back but were unclear if he'd have any outstanding debt to settle with them.

In their file submission Zopa provided a copy of the pre delivery checklist that was carried out on Mr H's car which showed no concerns.

In October 2025, our Investigator issued their view and recommended that Mr H's complaint should not be upheld. In summary the Investigator considered there was no evidence to consider the car wasn't of satisfactory quality when it was supplied. He considered there were unauthorised repairs to the auxiliary battery and the transmission issues were repaired, and other issues were cosmetic in nature which would be reasonable to expect on a car of the age and mileage.

Mr H didn't accept the Investigator's view and asked that the complaint be referred to an ombudsman for a final decision. Mr H added that he didn't consider the repairs were successful and demonstrated the car was not durable and the independent report supported

this. Mr H also confirmed that he's now returned the car, but suggests he'd be liable to continue making repayments.

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.

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.

Mr H 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 H's complaint about Zopa. Zopa 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. The CRA also explains the durability of goods is part of satisfactory quality.

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 Zopa supplied Mr H with a used car that had travelled 114,000 miles. 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.

From the information provided I'm satisfied there were faults with the car. This is apparent from the independent inspection report which confirmed two fault codes relating to the battery were present, significant overspray and poor paint to the overall of the vehicle was present. Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply.

Satisfactory quality

In response to the Investigator's view, Mr H raised concerns about the durability of the car and said he believed the repairs had failed. And the issues occurred after a short period of ownership.

At the time of the independent inspection, the car had travelled around 10,500 miles since it was supplied to Mr H. The inspection report noted fault codes, but two that were relating to the electrical issues raised by Mr H. It advised that further investigation was needed to

confirm the root cause of these. So, I'm not persuaded from the evidence that these would have been present or developing when the car was supplied.

It said the gears engaged correctly and concluded there were no engineering evidence to suggest the transmission issues would have been present or developing at the point of sale. So based on the report I'm not persuaded any current issues with the transmission made the car of unsatisfactory quality.

The independent inspection report focused mainly on the overspray on the body of the car. It concluded the issues with the bodywork would have likely been developing at the point of supply. Mr H has said he believe this is professional evidence which suggests the vehicle wasn't of satisfactory quality when it was supplied to him.

I've thought about this carefully, however I don't consider this to be the case here. Mr H acquired a car that was considerably well travelled, with 114,000 miles and which was around eight years old. I think it's reasonable to consider that the car wouldn't be in a perfect condition and that there would likely have been previous repairs or maintenance carried out during its life. The independent inspection report supports this.

The condition of the car is also recognised in its value and price, which was a significant reduction from a new model. I don't consider the paintwork as described to mean the car wasn't of a satisfactory quality. I have to consider that Mr H likely viewed, and test drove it prior to acquiring it. He then went on to drive over 10,000 miles before considering the issues with the bodywork were significant enough to complain about.

I acknowledge the paintwork was to a poor standard as confirmed by the inspection report, and I recognise Mr H feels strongly about this, however, I'm not persuaded it made the car of unsatisfactory quality based on the age and mileage of the car when it was acquired.

Mr H said there were faults which presented themselves soon after supply, but that the car was returned to the dealership for repairs. I haven't seen any evidence of the repairs that took place at the time or that Mr H had to pay for any of the repairs that were completed by the dealership. The independent inspection report, which was carried out over a year after supply, hasn't advised of any failed repairs relating to what the dealership has done, So I think it's reasonable to conclude that the repairs carried out at the time were successful.

Mr H raised other concerns about the rear bumper falling off whilst he was on the motorway, and the potential problems that could have occurred. I don't doubt Mr H's feelings on this matter and the worry he would have experienced at the time.

The issue with the rear bumper was confirmed by the independent inspection report and advised a drive test was limited due to it not being attached to the car. However, it doesn't comment on whether it made the car of unsatisfactory quality. In addition, I've considered Mr H was able to use the car for over a year prior to this occurring. I've also no expert evidence which comments on how it would have occurred, for example through impact or the failure of previous repairs. So, considering the time passed, together with the age and mileage of the car, I'm not persuaded it made the car of unsatisfactory quality. If the bumper was to fail on a vehicle that was newer and which had significantly less mileage, I'd likely consider poor durability a potential cause.

As I've concluded that the car was of satisfactory quality at the point it was supplied, I don't require Zopa to take any action in respect of this complaint.

My final decision

My final decision is that I don't uphold Mr H's complaint about Zopa Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 January 2026.

Benjamin John
Ombudsman