

The complaint

Mr W complains about the quality of the car he acquired through First Response Finance Limited (“First Response”)

What happened

Mr W entered into a hire purchase agreement in 2024 for a used car. The car was around nine years old and had covered over 67,000 miles when supplied.

In June 2025, he was contacted by the manufacturers about an urgent recall notice. This explained that the airbag might be at danger of exploding in a crash, so he should stop driving the car and take it to a dealer for repairs.

He raised a complaint with First Response as well as booking the car in for repair. First Response issued their final response letter (FRL) to his complaint in July 2025 and didn’t uphold it. They explained that this was a manufacturer recall about a potential problem, not an actual proven fault, and as such it didn’t make the car of unsatisfactory quality.

Mr W brought the complaint to our service and shortly afterwards, in early August 2025, the car was repaired by the main dealer. Also, conversations with First Response continued, and Mr W was refunded for a month’s payment to recognise his car being off the road for around a month. His complaint was investigated at our service, and the investigator didn’t uphold it. They said they weren’t persuaded there was a fault with the car, as a recall notice for a potential problem didn’t mean there was an actual problem with Mr W’s car.

Mr W didn’t agree with this and asked for an Ombudsman to make a final decision. He made various points about the investigator’s opinion, and said the central issue is that he was sold a car with a defective and potentially lethal airbag and said the recall itself proved that the car was unsafe and therefore of unsatisfactory quality.

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’ve reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I’ve reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I’ve had regard to the relevant law and regulations; any regulator’s rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr W was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we’re able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, First Response are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history and its durability. Durability means that the components of the car must last a reasonable amount of time.

Firstly, I'm sorry for any distress caused to Mr W by the recall notice. But as that notice wasn't from First Response, I don't think it would be fair to consider them liable for causing any distress. Mr W may wish to complain to the manufacturer directly about that recall notice if he so chooses.

I do think he was caused some inconvenience in being told not to use the car with no notice, but I am satisfied that refunding him a month's payment for what was around a month where he couldn't use the car is fair regarding this, so First Response have done what I would expect to see here.

With regards to Mr W's concerns about the car being of unsatisfactory quality, I'm afraid I don't agree with him here. The investigator was right when they confirmed that there was no proven fault with his car. Recall notices are generally about a "potential" problem that has been seen with some other models of a car, and where some proactive work can be done to rectify things in advance of any fault occurring.

I appreciate that this particular recall notice probably felt more serious, as it tells the customer not to drive the car and to get it repaired urgently as the airbag may explode. But I suspect the severity of the language was probably designed to ensure people got this airbag replaced as quickly as possible.

The reality is that not every airbag was going to explode if inflated. And we have no way of knowing whether the airbag in Mr W's car was faulty or not. As it's been replaced now, we'll never know that. And as such, I can't say that the car was of unsatisfactory quality.

I know Mr W has raised concerns about other issues discussed by the investigator about the age of his car, and wear and tear, but this appears to just be standard information when considering complaints about the quality of cars and isn't relevant to his complaint. Mr W says that a car subject to a "stop driving immediately" recall cannot be safe, but as explained above, I don't agree this means the car is of unsatisfactory quality under the CRA.

Mr W's car may or may not have had a fault. Clearly, there was a chance of the car having a fault based on the manufacturer's knowledge of other cars and the urgency and severity of their recall notice, but we don't know if his car was faulty, or not.

Alongside this, repair is a reasonable remedy under the CRA if the car did turn out to be faulty, and the CRA doesn't allow for a consumer to agree to have a car repaired, and then to reject it once it's been fixed. So even if I did consider the car to have been proven as of unsatisfactory quality, which I don't, it still wouldn't entitle Mr W to more than the repair he has already received. First Response would be entitled to one chance to repair the car anyway, and there would be no requirement for them to allow him to reject it.

Mr W hasn't raised any concerns about the quality of the car other than the recall notice, and I'm not persuaded that under the CRA, this recall notice makes the car of unsatisfactory quality. So, I won't be asking First Response to do anything more here.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 6 March 2026.

Paul Cronin
Ombudsman