

## **The complaint**

Mr R complains about a vehicle he acquired using a hire purchase agreement with Black Horse Limited (“Black Horse”). He says the vehicle had several problems which prevented him from using it and which meant he almost lost his business.

## **What happened**

In April 2024, Mr R entered a hire purchase agreement with Black Horse to acquire a used vehicle. The cash price of the vehicle was just under £25,000 and it had previously covered around 11,000 miles. Mr R paid a deposit of £1,000 and was required to pay 59 monthly payments of around £516 and a final payment if he wanted to own the vehicle.

Mr R complained to Black Horse in December 2024. He said he’d experienced significant problems with the vehicle almost immediately after he acquired it, and listed these as follows:

- The battery drained rapidly and far below the expected range. The sales invoice specified this as a 100kW battery, but the actual capacity was less than 50kW, which was verified by online sources.
- The heating system wasn’t functioning as required.
- There was a discrepancy between the vehicle’s actual mileage and the battery mileage, which suggested a possible fault or inaccuracy in the system.

Mr R told Black Horse that he’d been to the dealership more than seven times and made over 15 calls to them where he had explained the problems with the vehicle. Mr R said he didn’t receive any support from the dealership. And he said because of the problems with the vehicle, he’d been unable to conduct his business as a taxi driver, which resulted in significant financial loss to him.

Black Horse didn’t uphold Mr R’s complaint. They said they hadn’t received any evidence from Mr R that the vehicle was faulty at the point of supply or that it had been mis-sold.

Mr R then referred his complaint to our service. Our investigator didn’t recommend that it should be upheld. She said there wasn’t sufficient evidence to show there were faults with the vehicle and said Mr R had been able to cover around 17,000 miles in it by the time he complained to Black Horse.

Mr R didn’t agree with our investigator. He said a taxi driver would normally be able to drive around 25,000 to 35,000 miles during the period our investigator had referred to. And he said he’d tried his best to provide enough evidence about the vehicle such as the call logs showing the amount of calls he made to the dealership.

As the matter remains unresolved, Mr R’s complaint has been passed to me to review.

## **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.

I'm able to consider a complaint about the quality of the vehicle against Black Horse because it is the supplier of the vehicle under the hire purchase agreement.

Mr R said he used the vehicle for business purposes. Hire purchase agreements such as these, and in this scenario, are covered by the Supply of Goods (Implied Terms) Act 1973. This says that, in a hire purchase agreement, there are implied conditions including a condition that the goods will be of satisfactory quality (s.10).

The concept of 'satisfactory quality' is expanded by the Sale and Supply of Goods Act 1994 and includes: fitness for purpose; appearance and finish; freedom from minor defects; safety; and durability. These are the requirements of quality in the hire purchase contract agreed between Mr R and Black Horse.

When deciding whether goods are of 'satisfactory quality', it's necessary to consider all the circumstances – including age, the price paid, when the alleged faults occurred and how the vehicle was used up to that point. It's also necessary to consider evidence showing that there are or were faults with the vehicle, such that it might be reasonable to conclude the vehicle wasn't of satisfactory quality when it was supplied to Mr R.

I haven't though seen any documentary evidence of any faults with the vehicle. The only documentary evidence I've seen showing that someone looked at the vehicle since Mr R acquired it is a copy of an invoice from November 2024 showing that the dealership serviced the vehicle. There's nothing within that invoice which shows that faults were found with the vehicle.

Mr R has provided a copy of call logs showing the amount of times he spoke with the dealership. However, that isn't enough to show me there were faults with the vehicle. I would have looked more certainty of that such as evidence showing that someone had inspected the vehicle, or carried out a diagnostic test on it, and that faults were found.

I'm sorry to disappoint Mr R, but I haven't seen sufficient evidence that the car was of unsatisfactory quality when Black Horse supplied it to him. So, I won't be upholding his complaint.

## **My final decision**

For the reasons I've set out above, I don't uphold this complaint,

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 26 February 2026.

Daniel Picken  
**Ombudsman**