

The complaint

Mr M complains about the quality of a vehicle supplied via finance agreement by Black Horse Finance Limited ('BH').

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In March 2024 Mr M took out a hire purchase agreement for a new caravan with BH. However, he noticed in August 2024 that the panoramic roof had split and it was letting water in.

Mr M raised the matter with the dealer which offered to repair the caravan. However, Mr M approached BH to raise a complaint. He said he was concerned the problem will re-occur due to a manufacturing design fault.

Mr M complained to BH and it wrote to him in October 2024 with an outcome. It considered the offer of repair to be fair and said it would pay Mr M £99 to his account in compensation.

Mr M referred his complaint to this service shortly after. In summary, he was unhappy he was unable to swap the caravan for a model with a different window system. He says there is no guarantee the repair will fix the issue long term – and the resolution offered to date is 'completely unacceptable'.

Mr M later agreed that the caravan could be repaired while the matter was at this service. However, the parties could not come to an agreement on what was fair redress.

Our investigator issued his findings on what he considered fair in the circumstances. In summary, he had said repairs were fair and BH's offer to refund ten weeks rentals to reflect loss of use was more than fair. He also said BH should refund storage costs for certain periods and pay the increased £300 compensation it had offered for overall distress and inconvenience. He did not agree that additional costs Mr M was claiming were fair in the circumstances such as insurance, replacement caravan hire and journey costs to and from the dealer.

Mr M disagrees. He says the caravan was gone for repairs for almost six months and he never held up or stopped any of the work. He says considering this, the inconvenience, alternative caravan hire, and car journeys (to meet with the dealer and inspect the caravan), the amount of redress is not sufficient.

Mr M has asked for the matter to be considered by an ombudsman for 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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. BH is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that “the quality of the goods is satisfactory”.

The Consumer Rights Act 2015 says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account 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 take into account might include things like the age and mileage at the time of sale and the vehicle's history.

The Consumer Rights Act 2015 ('CRA from now on') says 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 goods.

Here Mr M was supplied a brand-new caravan. I think it's fair to say that a reasonable person would expect the level of quality to be higher than a second-hand, more road-worn vehicle. And that it could be used – free from defects – for a considerable period.

It appears not to be in dispute that the roof leak was unacceptable around five months after taking delivery of a new caravan – and that this rendered the vehicle unsatisfactory quality in the circumstances. However, I can see that the main dispute here is about a fair remedy. So it is this I have considered in more detail.

I can see from the outset Mr M had maintained that he didn't want a repair – but a replacement caravan with a different roof system. He was concerned this was an unfixable issue – and points to owner forums where he says owners have had three to four replacements of this type of roof. However, with the CRA in mind, because he was outside the 'short term' right to reject I consider that an offer of repair was not an unreasonable remedy in the circumstances here (especially noting that Mr M's desire for a replacement was not a like for like model). Furthermore, while Mr M was understandably concerned about the repairs fixing the issue (due to information including the forum posts he had read) I don't think there was sufficiently persuasive evidence to say a repair, at least in the first instance, was an unfair way forward (noting that under the CRA the supplier has one attempt to repair before rejection is possible).

I appreciate Mr M has said that under the CRA repairs should be done in a reasonable time and without significant inconvenience to the customer. While the evidence suggests there was some waiting for parts to arrive I don't think the delays were to the extent that would have fairly given Mr M a right to reject here. However, had these gone on much longer that might have been fair.

Mr M says he didn't object to a repair. Where matters are in dispute I decide things based on what is most likely the case. I think the evidence here strongly suggests Mr M was unhappy with a repair and didn't want this as a remedy. There are emails from the dealer to BH saying that Mr M told it he didn't want repairs or the caravan back. And this is supported by the complaint he escalated to this service which quotes concerns about the repair not fixing the issue and him wanting a different model.

The information I have indicates that repairs could have begun from 9 October 2024 but Mr M would not authorise them. This seems likely as it was around this time that he escalated his complaint to this service about being unhappy with repair as a remedy. Furthermore, throughout his complaint he has maintained that he wishes to reject the caravan in favour of another model.

BH say from 9 October 2024 to around 13 December 2024 the dealer was waiting for Mr M to authorise repairs. I don't know for definite – but I think this is more likely than not based on what I have seen. I also think Mr M was reasonably aware that repairs could have taken place from October due to the information he had previously received from BH in its letter to him. I understand Mr M questions why the dealer needed his authority to repair the goods – but because it appears Mr M had specifically advised the dealer not to proceed with repairs (this is supported by contemporaneous correspondence in the case file from the dealer) I can understand why it would be waiting to hear from him to confirm that he was now OK with this. Furthermore, even if I accepted that there was a failing in communication and that Mr M should have been contacted more pro-actively about this in early October 2024– based on his complaint to this service which had only just begun (and before our investigator had said repairs were fair) I think at the time Mr M would likely have continued to maintain he didn't want repairs in any event. It follows, in the circumstances I do not consider it fair to say BH is fairly responsible for the delays to repairs occurring between 9 October and 13 December 2024.

I know Mr M has mentioned that when he agreed to repairs the dealer still didn't have replacement cushions for a seat that was damaged by water ingress. It isn't clear what happened here – but from the information I have I am broadly satisfied that the dealer had the parts to carry out the repair to remedy the breach from 9 October 2024. And in any event I think Mr M could have mitigated his losses here by facilitating an initial repair to the roof sooner. So I have factored this in when deciding fair redress.

The caravan was eventually delivered to Mr M on 27 January 2025. I know there are allegations that he refused to collect it from 7 January 2025 – but it should have been delivered to him to avoid inconveniencing him further. So I think its fair to say that the period he didn't have it due to the repairs which is reasonably the fault of BH is from 13 December until 27 January 2025. And in addition to this the initial period from when the fault occurred on 3 August 2024 to when the repairs were available from 9 October 2024. So despite some delays being attributable to Mr M I think it fair that BH reimburse him for some loss of use, and for the inconvenience caused here.

I note Mr M has said he would have used the caravan for 10 weeks for holidays during the period he didn't have it. That seems like more than average holiday time – particularly noting the time of year is toward the end of or outside the usual holiday season (I note in August 2025 Mr M had referred to the holiday season 'drawing in' but has later indicated that he used the caravan fairly extensively in winter). However, even if I accept Mr M had missed 10 weeks of use of the caravan I note that by delaying the repairs he has likely missed more holiday than he would have otherwise. I note that BH has offered to refund him for the claimed 10 weeks in any event. I am satisfied it is broadly fair to endorse this – but because I consider it more generous than I would likely have awarded I do not think it fair that Mr M should also get back the insurance costs he is claiming while he didn't have use of the

caravan during said intended holiday period (at a rate of about £19 a month). I also note that outside of holiday periods Mr M would have had to pay to insure the caravan in any event regardless of the need for repairs.

Mr M should get out of pocket interest on the refund of 10 weeks payments from when these were paid to the date of settlement. For clarity and simplicity regarding calculating interest BH should consider this being 10 weeks of refunded rentals from 3 August 2024.

I know Mr M has said he hired an alternative caravan to holiday in and wants reimbursement for this. But as he is getting back the 10 weeks of rentals for the holiday period claimed it isn't fair to also reimburse him for the time he hired a caravan to holiday in – as this would essentially be giving him the use of a caravan for holidays at no charge.

Mr M has clearly been caused inconvenience by what has occurred here. I think he has likely contributed to the level of inconvenience due to not accepting repairs sooner. So in the circumstances I consider the £300 offer by BH to be more than fair to reflect the distress and inconvenience caused. For clarity this £300 is not in addition to the £99 that BH originally offered Mr M – I understand that Mr M rejected that initial offer – but if it was paid to him then the compensation here can be adjusted accordingly.

Mr M said he was paying for storage costs for items that were in the caravan while it was with the dealer for repairs. He should fairly get this back but with the exception of the period from 9 October 2024 to 13 December 2024. If he wishes to claim these storage costs he should provide to BH invoices from the storage supplier along with bank/card statements to show he has paid these.

Mr M has also claimed significant costs of around £250 for journeys to and from the dealer to check on the caravan and meet with the dealer. However, he has not provided persuasive evidence to show this is fair and that he has mitigated his loss. I say this noting:

- Negotiations could have taken place over the phone or in writing;
- although he may have needed to check on the caravan on occasion had repairs been permitted by Mr M sooner it seems less likely this would have been necessary;
- even if there were some unavoidable visits Mr M has not provided persuasive evidence to show he should get further financial reimbursement noting BH has already made a more than fair offer regarding refunding holiday weeks and paying other compensation in the particular circumstances here.

I know Mr M is not happy with the settlement as it stands. These things are not a science – and I think what I have directed here is broadly fair and reasonable. However, I remind Mr M that he does not have to accept it and may wish to pursue this matter by more formal means (such as court). He should consider getting independent legal advice if he wishes to take this route.

Putting things right

As set out below

My final decision

I direct Black Horse Finance Limited to:

- reimburse Mr M for 10 weeks of repayments;
- refund the storage costs Mr M incurred from 3 August 2024 up to 9 October 2024 and from 13 December 2024 to 27 January 2024 on production of the relevant

- evidence of these costs (as specified above);
- pay Mr M 8% yearly simple interest on all refunds from date of payment to the date of settlement; and
 - pay Mr M £300 compensation for the distress and inconvenience caused.

If BH considers it should deduct tax from the interest award it should also provide Mr M with a certificate of tax deduction, so he may claim a refund if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 December 2025.

Mark Lancod
Ombudsman