

The complaint

Mr R complains that a car that was supplied to him under a credit agreement with CA Auto Finance UK Limited wasn't of satisfactory quality.

What happened

A used car was supplied to Mr R under a personal contract purchase agreement that he electronically signed in July 2024. The price of the car was £29,785, Mr R made an advance payment of £199 and he agreed to make 48 monthly payments of £535.81 and a final payment of £14,196 to CA Auto Finance.

Mr R contacted the supplying dealer in December 2024 because of a red oil warning light on the car and it was agreed that Mr R would obtain a diagnosis of any fault. A faulty oil pump was diagnosed, but the warranty for the car had ended, so the supplying dealer agreed that it would pay for 50% of the costs that Mr R incurred in having the car repaired. There was a delay in the repair taking place and Mr R continued to use the car, which led to an engine failure.

Mr R complained CA Auto Finance in March 2025 and it agreed that there was a fault with the car, but said that through use, the fault had worsened so it wasn't wholly responsible for rectifying the fault. It offered to contribute up to £1,500.00 towards the costs of repair and associated diagnosis. Mr R didn't accept that offer and referred his complaint to this service.

His complaint was looked at by one of this service's investigators who, having considered everything, thought that CA Auto Finance's offer was fair. She thought that the car wasn't of satisfactory quality when supplied and that CA Auto Finance needed to do something to put things right, but that Mr R ought to have been reasonably aware that the car couldn't be driven with such a warning. She didn't think that the required repair was CA Auto Finance's responsibility.

Mr R hasn't accepted the investigator's recommendation, so I've been asked to issue a decision on this complaint. Mr R says, in summary and amongst other things, that: he was told that it was ok to use the car for limited mileage and he used the car to go to work on a Monday and home on a Friday, and sometimes on a Saturday morning; and the supplying dealer was given an opportunity to repair the car but refused to do so. He also says that he's arranged for the car to be inspected by an independent expert, but he hasn't provided a copy of its report.

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.

CA Auto Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr R. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Mr R was first registered in

September 2019, so was nearly five years old, the credit agreement shows that it had been driven for 42,900 miles and the price of the car was £29,785. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time – but exactly how long that time is will depend on a number of factors.

The car had a red oil warning light in December 2024 and a faulty oil pump was diagnosed. That was less than six months after the car was supplied to Mr R and the supplying dealer agreed that it would pay for 50% of the costs that Mr R incurred in having the car repaired. I consider that the fault with the oil pump caused the car not to have been of satisfactory quality when it was supplied to Mr R.

There was a delay in the car being repaired and Mr R says that he was told that it was ok to use the car for limited mileage. He says that he used the car to go to work on a Monday and home on a Friday, and sometimes on a Saturday morning, but the car's engine then failed and needed to be replaced. I consider it to be more likely than not that the engine failed because the car had been driven with a faulty oil pump. I've carefully considered all that Mr R has said and provided about being told that it was ok to use the car for limited mileage, but I consider that he ought reasonably to have been aware that the car shouldn't have been driven with a faulty oil pump.

There's no mention of the warranty in the credit agreement and it's my understanding that the warranty was a separate arrangement, so I don't consider that CA Auto Finance would have any liability to Mr R for any issues with the warranty. Mr R says that the supplying dealer was given an opportunity to repair the car but refused to do so. The supplying dealer agreed that it would pay for 50% of the costs that Mr R incurred in having the car repaired, but there was a delay in the repair taking place. I don't consider that the supplying dealer was responsible for the delayed repair and it said to Mr R in a message in January 2025 that the car would need to go into a repairer for diagnosis and that, given the nature of the fault, it would need to be recovered there using a breakdown service. Although the supplying dealer had said that the car would need to be recovered given the nature of the fault, Mr R continued to use the car.

Mr R says that he arranged for the car to be inspected by an independent expert, and it looks to me as though the inspection took place in September 2025. Mr R said in October 2025 that he was still waiting for the inspection report and he's still not provided an inspection report. I consider that it's appropriate for me to now issue this decision, without the report being provided

I find that it wouldn't be fair or reasonable in these circumstances for me to require CA Auto Finance to pay for the car's engine to be replaced or to take any other action in response to Mr R's complaint. CA Auto Finance has offered to contribute up to £1,500 towards the costs of repair and associated diagnosis, on the provision of an invoice for the repair. I consider that offer to be fair and reasonable in these circumstances. Mr R didn't accept that offer, but if he now wishes to do so, I suggest that he contacts CA Auto Finance about it.

My final decision

My decision is that I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 24 December 2025.

Jarrold Hastings
Ombudsman

