

The complaint

Mr A complains about the quality of a car supplied to him by Black Horse Limited trading as Jaguar Financial Services (“Black Horse”).

What happened

Mr A entered into a hire purchase agreement with Black Horse in March 2019 for the supply of a new car. The agreement was over 49 months including a final balloon payment and was fully settled in April 2023.

In July 2023 the car broke down due to a turbo issue and the turbo needed to be replaced. The mileage at this point was noted as around 90,000 miles. Repairs were carried out and there were further issues with the car over the following 18 months including with copper washers, with fumes entering the cabin, with a stretched timing chain, and this seems to have led to other issues.

By March 2025, with a mileage of 115,000, it's noted that the fumes were being caused by a further turbo failure, and the turbo was replaced again under warranty. Shortly after this with a mileage of approaching 117,000 miles, a report has been commissioned by Mr A which said that the engine needed to be dismantled to identify precisely the issues, but they suspected that the problems began with the turbo failure in July 2023 which had likely caused further issues that were not identified at the time.

After attempts to resolve this with the manufacturer and their dealerships, Mr A raised a complaint with Black Horse in June 2025. They issued their final response letter (FRL) dated 2 September 2025 and didn't uphold his complaint. They said that they weren't persuaded that faults were present or developing at the point they supplied the car to Mr A, they hadn't seen that the car had had a manufacturer approved service since 2022, and they were satisfied that as the issues with the turbo hadn't presented until the car had covered 90,000 miles, this was consistent with wear and tear and the normal lifespan of the part, so wasn't a premature failure.

They went on to say that the second turbo replacement also wasn't their responsibility, or a failed repair, because they weren't responsible for the replacement the first time. Similarly, they said that the timing chain issue was consistent with the expected lifespan of this part and didn't feel there was any evidence of a fault developing at the point of supply. They commented on all the other issues but didn't feel they were responsible for any of them, so didn't uphold his complaint.

Mr A didn't agree and brought his complaint to our service to be investigated. The investigator issued their opinion in November 2025 and didn't uphold the complaint. They explained that the Consumer Rights Act 2015 was the relevant legislation, and based on this, explained that the two considerations here were whether faults were present or developing at the point of sale, and whether the car had proved durable. They said that they'd seen no evidence that the turbo had a fault present or developing when the car was supplied, and that whilst a turbo could last more than 90,000 miles, they were satisfied that it had proven durable, explaining that factors which impact how long parts last include things

like maintenance, how the car has been used/driven, and considering everything, they were satisfied the car supplied was of satisfactory quality.

They explained that Mr A had cited section 75 of the Consumer Credit Act 1974 (CCA) as relevant legislation, but explained that this wasn't legislation relating to hire purchase agreements, and that he'd also highlighted section 56 of the CCA, but this was relating to antecedent negotiations; in effect, it was about Black Horse being responsible for things said to Mr A in the negotiations to supply the car by the supplying dealership. They confirmed there was no evidence of anything being said to Mr A that related to the issues here or the complaint.

Finally, they said that Mr A had also referenced Section 140 of the CCA, which relates to their being an unfair relationship between a consumer and a finance provider, but they didn't feel this was relevant to this complaint and had no concerns about this.

Mr A didn't agree and said that the investigator's interpretation of relevant legislation was wrong. He felt the issue regarding section 75 of the CCA hadn't been explained, said the investigator had failed to properly consider section 56 of the CCA, he still felt section 140A of the CCA was relevant here, and felt there was a pattern of misdiagnosis of faults that should be considered. He said the interpretation of durability and satisfactory quality was wrong and a reasonable person would expect much more durability than 90,000 miles.

The investigator issued an updated opinion but didn't change the outcome. They explained again the details about section 75, section 56 and section 140A of the CCA, and that they didn't agree the car was of unsatisfactory quality.

Mr A didn't agree and asked for an Ombudsman to make a final decision. He again highlighted that he felt section 75 of the CCA is applicable, and the interpretation of the investigator is wrong, saying that section 75 applies because the supplier of the car was the dealership, and Black Horse were the creditor.

He said that the analysis of section 56 of the CCA is wrong, as it's wrong to say Black Horse aren't responsible for the dealer's actions here. He again highlighted section 140A of the CCA and that this considers to whole relationship including conduct by agents like the manufacturer dealerships. And he again highlighted that the investigator's interpretation of durability and satisfactory quality was wrong in his opinion.

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 A 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, Black Horse 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.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Black Horse can show otherwise. But, where a fault is identified after the first six months, the CRA implies that it's for Mr A to show it was present when the car was supplied.

So, if I thought the car was faulty when Mr A took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Black Horse to put this right.

I have empathy for the situation Mr A has found himself in, but I'm sorry to tell him that the answer he's been provided already is entirely correct. He seems to believe that if different legislation is considered, a different conclusion would be reached about satisfactory quality, but this isn't the case.

I'll first deal with the crux here, which is whether the car was of satisfactory quality when supplied. The answers he's been provided have been detailed and correct. While some cars can last longer before a turbo fails or the timing chain fails or the engine has problems, some cars also don't last this long. There is no way of predicting exactly how long parts of a car will last, as it depends on driving style, maintenance schedules, pre-emptive replacement of parts sometimes, external conditions, a whole host of variables.

As such, the relevant legislation here, the CRA, references what a reasonable person would expect. This is obviously somewhat subjective, but my role here in dealing with this type of complaints exposes me to many similar cases. For a replacement turbo, or a timing chain, 80,000 - 100,000 miles is around the figures generally considered reasonable unless the manufacturer suggests different lifespans. As the car here had covered 93,000 miles before the turbo failed, I can't fairly say the car hasn't proven durable or was faulty in any way based on the evidence provided.

Once that conclusion is drawn, any ongoing issues with the repairs are not related to Black Horse, and they bear no responsibility. They were responsible for supplying a car of satisfactory quality and I'm satisfied they have done so. If repairs are required after this point, they fall under expected lifespan or wear and tear issues. So, if there is a suggestion that mis diagnosis has happened, or knock on damage hasn't been dealt with, that can only be a failing of the repairing garages in their role as mechanics.

That failing wouldn't be in the context of them being an agent of Black Horse, it is simply as a mechanic. As has been suggested to Mr A, that would require him to complain directly to the relevant garage, and then if unhappy with the answer, to take that complaint to the Motor Ombudsman. This isn't an issue Black Horse bear any responsibility for, and neither section 56 nor section 140A of the CCA impacts this.

Section 75 of the CCA is one we consider when looking at car quality on certain purchases, for example when some or all of the car cost is purchased perhaps on a credit card, rather than a hire purchase agreement. The complaint there would be against the credit card company as the creditor. But the consideration about the satisfactory quality of the car would still be the same and still relate to the Consumer Rights Act 2015 definitions as described

above. Mr A believes the car was supplied to him by the dealership, but it wasn't. Their involvement is as a finance broker for Black Horse, and the transaction undertaken is that Black Horse have acquired the car from the dealer, and then supplied it on finance to the consumer, Mr A. That's why we consider satisfactory quality complaints against the finance company. They are the supplier of the goods.

Mr A's argument around section 56 of the CCA seems to be that this means the dealership repairs carried out are the responsibility of Black Horse, and if the repairs were poor, that makes Black Horse responsible. Section 56 of the CCA means Black Horse are responsible for pre-sale discussions with a consumer by their finance broker, who in this case are the supplying dealership. But as has been explained, in his circumstances, it isn't relevant here. The issues with satisfactory quality of the car at supply, or durability, are the only relevant factors here.

When concluding that there is no evidence of faults that were present or developing at the point of sale, or issues of durability, anything that happens after that conclusion isn't relevant to a complaint against Black Horse. I believe Mr A feels that some errors by the dealer network when carrying out repairs from 2023 onwards are Black Horse's responsibility, but I'm afraid even if these issues have occurred, which I am not making a finding on, they aren't the responsibility of Black Horse. Those parties are acting as mechanics, not as an agent or broker for Black Horse.

None of the repairs were discussed with Black Horse, arranged by Black Horse, indeed they were not involved in these in any way. But fundamentally, they are not the responsibility of Black Horse because at the point the turbo fails after 90,000 miles, that is not a failure in satisfactory quality. So, any potential repair errors after that are not the responsibility of Black Horse and would need to be taken up with the relevant garages carrying out the repairs.

Mr A's remaining points are about the judgement to this point on satisfactory quality and durability. As I've said, the relevant legislation considers what a reasonable person would expect, which by its nature is slightly subjective. But my experience with this type of case, and of these types of complaints, and my knowledge of cars generally and specifically this car, tells me that the car was of satisfactory quality when supplied. Alongside this, it has proven reasonably durable, so I can't say it was of unsatisfactory quality.

I'm sorry for what has happened here to the car, but I'm satisfied that none of the issues are the responsibility of Black Horse to deal with, as the car was of satisfactory quality when supplied. I won't be asking Black Horse 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 A to accept or reject my decision before 10 April 2026.

Paul Cronin
Ombudsman