

The complaint

Ms S complains that the car she acquired through CA AUTO FINANCE UK LTD (“CA AUTO”) wasn’t of satisfactory quality. She wants to reject the car and cancel the credit agreement.

What happened

Ms S entered into a hire purchase agreement in August 2025 to acquire a used car. The cash price of the car and additional insurance products was £7,897, and the total repayable was £10,804.60, and was to be repaid through the credit agreement which was set up over a 60-month term with monthly payments of £179.81. At the time of acquisition, the car had already been driven more than 56,000 miles and was around six years old.

Ms S told us:

- She’s unhappy that an engine management light (“EML”) illuminated on the dashboard within seven days of acquiring the car, which she says indicates a problem with the mass airflow system;
- she notified the supplying dealership and CA AUTO of the problem within seven days and exercised her right to reject the car;
- she was incorrectly informed that she could not reject the car and would, instead, need to accept its repair;
- this faulty car has had a financial impact on her in that she’s made monthly payments for a car she’s not used, and she’s had to purchase another car to meet her daily transport needs;
- she’s spent considerable time dealing with this problem and wants to reject the car, have the credit agreement unwound, and have her payments refunded.

Ms S told this Service that she’d had some diagnostics undertaken, but she does not have a copy of the report. She did send in a photograph of the fault.

CA AUTO rejected this complaint. It said it had liaised with the supplying dealership and concluded that the car needed to be returned to them so that it can be inspected and the nature of any fault identified. CA AUTO told Ms S that as she had authorised repairs to the car, she could no longer exercise any short term right to reject it, and it explained its understanding of the Consumer Rights Act 2015.

Unhappy with CA AUTO’s response, Ms S brought her complaint to this Service.

Our Investigator looked at this complaint and said she didn’t think it should be upheld. She explained the relevance of the Consumer Rights Act 2015 (“CRA”) in the circumstances of this complaint, specifically focussing on the legislation and a consumer’s short term right to reject.

Our Investigator explained she’d seen nothing that confirmed the existence of a fault or its cause, and that under the relevant regulations, the existence of a fault needed to be established so that it could be determined whether or not the car supplied was of satisfactory

quality. Only if it were established that the car was not of satisfactory quality at the point of supply could the appropriate remedy be determined.

Our Investigator explained that Ms S' short term right to reject had now passed and she recommended Ms S get in touch with the supplying dealership so that the car could be inspected, and the existence of any fault established, and the appropriate remedy agreed.

Ms S disagrees so the complaint comes to me to decide. Ms S challenged the Investigator's interpretation of the legislation, and restated that the fault was identified within seven days of the car's acquisition, and she wants to reject the car.

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 agree with our investigator. I've decided not to uphold this complaint, and I'll explain why.

I hope that Ms S won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Ms S should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all of her submissions before arriving at my decision.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Ms S is a regulated consumer credit agreement this Service is able to consider complaints relating to it. CA AUTO is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the goods. So, what I need to consider in this case is whether the car *supplied* to Ms S was of satisfactory quality or not.

The CRA also sets out the circumstances under which a consumer can exercise their 'short-term right to reject'. It explains that a consumer has a short term right to reject a car if it is of unsatisfactory quality, is unfit for purpose, or is not as described. A consumer may exercise this right, but it is limited to 30 days from the date the car was acquired.

I'm not upholding this complaint because in this particular case, I've seen nothing that evidences that the car is of unsatisfactory quality, or that it's unfit for purpose, or that it's not as described. I say this because Ms S' entire case is based on the presence of an illuminated warning light on the dashboard; a blurry and inconclusive photograph of a fault code; and a statement about what problems *may* arise from a faulty sensor.

But I have to tell Ms S that none of this is conclusive evidence of a fault, and it doesn't confirm the cause of any fault. The illumination of a dashboard warning light is not itself a fault – it indicates that something *may* be wrong, and it signposts the owner to the fact that further investigations need to be carried out to determine *whether* there's a fault and, if there is, what is the cause of that fault. And the cause of the dashboard warning and the existence of an underlying fault can only be ascertained through an inspection and diagnostics.

Ms S said she'd paid for diagnostics, so it's unfortunate that she says she does not have a copy of the subsequent report, and that all she has been able to provide this Service is the blurry photograph of the fault code which doesn't really confirm anything at all.

So, on the basis that I've seen no persuasive evidence that there is a fault present that proves the car is either unfit for purpose, or that it was not of satisfactory quality when it was supplied in August 2025, I simply can't uphold this complaint.

I'd recommend Ms S gets in touch again with the supplying dealership so that it can assess the cause of the warning light and agree any remedial action with her.

I know Ms S will be disappointed with this decision, but I hope she understands why I've reached the conclusions that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 11 March 2026.

Andrew Macnamara
Ombudsman