

The complaint

Mr G complains about a car supplied to him using a personal contract purchase agreement taken out with CA Auto Finance UK Ltd (“CA Auto”).

What happened

Mr G referred a complaint to us along with his representative. As the complainant is Mr G, for ease, I have addressed my decision to him only throughout, when referring to what he and his representative have told us.

In November 2024, Mr G acquired a used car using a personal contract purchase agreement with CA Auto. The car was over three years old, the cash price of the car recorded on the agreement was £53,995, the agreement was for 48 months, made up of 47 regular, monthly repayments of £465.43, followed by a final payment of £24,333, which included a £10 option to purchase fee. The advance payment recorded on the agreement was £20,000. It was said that the mileage of the car at the point of supply was 30,000 miles.

Mr G said he experienced issues with the car shortly after acquiring it. Mr G said there was smoke coming from the car, as well as low coolant and warning lights appearing on the car’s dashboard. It was suggested the car had diesel particulate filter (“DPF”) and engine gas recirculation (“EGR”) cooler issues.

Mr G said the car was taken in for repairs in November 2024 and he collected the car in January 2025 and was assured the issues with the car had been repaired.

However, in April 2025, Mr G said the issues with the car reappeared. Mr G had the car independently inspected on two occasions which concluded that issues with it were present at the point of supply. Mr G said that the car’s DPF system had previously been tampered with, along with the car’s engine control unit (“ECU”) being cleared. In May 2025, Mr G had repairs carried out to the car at his own expense.

Mr G complained to CA Auto in June 2025 who provided their final response in August 2025. In summary they said they required evidence to show faults were present with the car at the point of supply. Mr G said the car was collected by the dealership for further repairs to be carried out to it in August 2025.

Unhappy with CA Auto’s response, Mr G referred his complaint to our service in early September 2025. Mr G informed our service that he was told by the supplying dealership that the car was repaired ready for collection. Mr G also said he believed the car had been driven for approximately 600 miles by the dealership without his permission, whilst the car wasn’t in his possession.

Our investigator upheld Mr G’s complaint and instructed CA Auto on what they needed to do to put things right.

CA Auto provided commentary from the dealership where they explained that they didn't think they had the opportunity to repair the car previously. Our investigator responded and said that he was satisfied that an opportunity for repair had already been given.

As CA Auto didn't accept the investigator's findings, the complaint was passed to me to decide.

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'm upholding this complaint. I have noted that CA Auto said that they would provide further information in relation to this complaint. So I wanted to explain why I have still proceeded to issue a decision. Firstly, I am mindful that CA Auto has had enough opportunity to provide any additional commentary. Our investigator first issued his view in November 2025, inviting CA Auto to accept it or to provide further representations. CA Auto were then given several further opportunities and deadlines to provide more information. So, I don't think it is fair to allow more time, given the impact this complaint has had on Mr G. In addition, I'm satisfied from what I have seen that CA Auto needs to do something to put things right here, which I have explained below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr G complains about a car supplied to him under a personal contract purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr G's complaint about CA Auto.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – CA Auto here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note that the car Mr G acquired was used, over three years old, had been driven around 30,000 miles and cost almost £54,000. I think a reasonable person would accept that it would not be in the same condition as a new car and was likely to have some parts that are worn. But also that they would expect trouble free motoring for some time given the relatively low mileage and cost of the car.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

Mr G said he experienced issues with the car almost immediately after acquiring it. Along with fault codes reported for issues with the car's DPF and EGR cooler, to name a few, two

independent inspections were carried out to the car which identified several faults with it. The car's EGR cooler and associated parts were also repaired in May 2025, following a coolant leak which was identified in April 2025.

Considering the above, I'm satisfied the car had a fault with it, given that I have seen invoices for repairs carried out to it and inspection reports confirmed faults with it both in April 2025 and in June 2025.

Was the car of satisfactory quality at the point of supply?

Considering issues with the car presented themselves shortly after the car was acquired, and the inspection report says they believed issues with it to be a pre-existing condition; I'm satisfied they were likely present or developing at the point of supply. In addition, given that the car was also under four years old, with around 33,000 miles driven in it, the evidence points towards a possible durability issue with the car as well.

So, I'm satisfied the car wasn't supplied to Mr G of satisfactory quality.

Remedies under the CRA

I've gone on to think carefully about the remedies available to Mr G under the CRA. I've also thought carefully about the time that has elapsed, and the opportunity CA Auto has had to resolve any issues with the car.

Section 24(5) of the CRA says:

"a consumer who has ... the right to reject may only exercise [this] and may only do so in one of these situations – (a) after one repair or replacement, the goods do not conform to contract."

This is known as the single chance of repair. And this applies to all issues with the goods, and to all repairs i.e. it's not a single chance of repair for the dealership *and* a single chance of repair for CA Auto – the first attempted repair is the single chance at repair.

In this case, there was an attempt to repair the faults with the car towards the end of 2024, due to a possible issue with the car's DPF and EGR cooler being identified. It is unclear if the supplying dealership directed Mr G towards his warranty provider at the time. But in any event, I'm satisfied this should stand as the single chance of repair. Mr G said he was assured repairs had been completed when he collected it in January 2025. But then a few months later, in April 2025, issues with the car reappeared and further repairs were carried out to the car's EGR cooler, intercooler, Turbocharger, and associated parts, in May 2025.

So, I'm satisfied CA Auto already had the opportunity to repair the car towards the end of 2024, and I think it failed or the car had an underlying fault that was never put right. While I appreciate the car has now been repaired and Mr G has collected the vehicle to mitigate any potential losses, I'm mindful that he has explained his intention was to reject the car. It follows that I think Mr G should now be allowed to reject it.

Loss of use and other costs

Mr G has explained there were times where he didn't have use of the car due to repairs being carried out to it and that he wasn't provided with a means to have been kept mobile such as a courtesy car. Mr G has explained this was from 23 November 2024 to 9 January 2025, when the initial repairs were being completed to the car; and then again from 13 April 2025 to 20 September 2025. Given that CA Auto hasn't been able to provide any evidence

to dispute this, despite having the opportunity to do so, I think it is fair and reasonable that they reimburse Mr G his monthly repayments for these two periods, where he didn't have use of the car.

Mr G has explained that he incurred costs in having the car diagnosed and inspected, as well as for repairs to be carried out to it. Having understood the version of events that occurred here, I don't think Mr G acted unreasonably in having the car repaired by a third-party, given that an attempt had already been made by the dealership towards the end of 2024, and he said that he was told that his warranty period had ended, but they could look to repair the car at a cost to him. The costs Mr G incurred were:

- £77.47 for a cooling pressure test, paid for on 12 April 2025.
- £175.65 for a diagnostics and inspection, paid for on 19 May 2025.
- £2,607.03 for parts and repairs, paid for on 23 May 2025.

Given that Mr G incurred these costs, on a car which was found to have been supplied to him of unsatisfactory quality, I'm satisfied that CA Auto should reimburse Mr G for the losses above.

Distress and inconvenience

Mr G has explained the impact this complaint has had on him. Since acquiring the car, he has had regular issues with it, which has resulted in him being inconvenienced on several occasions, where he has had to take the car to be repaired and/or diagnosed. And I can imagine it must have been distressing to have noticed that the car was being used without his permission. In the circumstances, I think it is fair and reasonable CA Auto pay Mr G £300 for the distress and inconvenience caused by this complaint.

My final decision

For the reasons I've explained, I uphold this complaint and I instruct CA Auto Finance UK Ltd to put things right by doing the following:

- End the agreement ensuring Mr G is not liable for monthly rentals after the point of collection (it should refund any overpayment for these if applicable).
- Collect the car (if this has not been done already) without charging for collection.
- Refund Mr G's advance payment towards the agreement of £20,000. If any part of this advance payment was made up of funds through a dealer contribution, then CA Auto doesn't need to refund this amount. *
- Reimburse Mr G a pro rata of his monthly repayments made from 23 November 2024 to 9 January 2025, and from 13 April 2025 to 20 September 2025. *
- Reimburse Mr G:
 - £77.47 for a cooling pressure test, paid for on 12 April 2025. *
 - £175.65 for a diagnostics and inspection, paid for on 19 May 2025. *
 - £2,607.03 for parts and repairs, paid for on 23 May 2025. *
- Pay Mr G £300 to reflect the distress and inconvenience caused.
- Remove any adverse information from Mr G's credit file in relation to the agreement, if any.

* These amounts should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If CA Auto considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr G how much it's taken off. It should also give Mr G a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue and Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 April 2026.

Ronesh Amin
Ombudsman