

The complaint

Mr C is unhappy that a car supplied to him under a hire purchase agreement with Specialist Motor Finance Limited ('SMF') was of an unsatisfactory quality.

What happened

In April 2024, Mr C was supplied with a used car through a hire purchase agreement with SMF. He paid an advance payment of £250, and the agreement was for £10,299 over 60 months; with 59 monthly payments of £291.77 and a final payment of £301.77. At the time of supply, the car was around five years old and had done 76,072 miles (according to the MOT record for 10 April 2024).

Mr C started to have problems with the car from shortly after it was supplied, and, in June 2024, the heater support pump and water pump were replaced under warranty. Mr C had further issues with the car in July 2025, and the thermostat was replaced in August 2025 at a cost of £210. Shortly afterwards Mr C says the car became undrivable due to multiple fault codes relating to the engine, coolant, and heat support pump issues. The car had done 84,658 miles at the time – around 8,500 miles after being supplied to Mr C.

Mr C complained to SMF, who didn't uphold the complaint - they said there was no evidence the current faults with the car were present or developing when it was supplied. However, they said they could reconsider this if Mr C could provide them with a report from an independent engineer. Unhappy with this response, Mr C brought the matter to the Financial Ombudsman Service for investigation.

Mr C said the car had been showing faults for the entire period it had been in his possession – the engine warning light was on, there were occasional coolant warnings, and there was a humming noise when the car was driven above 60mph. He also said that he never raised these issues with SMF as he has anxiety, and this makes raising complaints difficult.

Our investigator said that, while there was currently an issue with the car, there was nothing to show these faults were present when the car was supplied. So, they didn't think SAMF were liable for any repairs.

Mr C didn't agree with the investigator. He said that the initial issues with the car, and the fact these continued until the car was no longer drivable, show that the car wasn't of a satisfactory quality when it was supplied. He also said that he'd spent over £1,400 getting the car repaired as the battery had failed, the heater matrix was blocked, and the replacement thermostat was faulty. He felt these faults had caused most of the problems he had been experiencing for months.

Mr C didn't think that SMF had provided sufficient evidence the car was of a satisfactory quality when it was supplied, so he didn't think there was a burden of proof on him to show that it wasn't. So, he asked that this matter be passed to an ombudsman 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'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 C 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, SMF 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 SMF can show otherwise. So, if I thought the car was faulty when Mr C 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 SMF to put this right.

It's not disputed that, when Mr C first approached the dealership about the issues with the car, they advised him it was likely a faulty AdBlue sensor. However, when Mr C plugged in an OBD2 scanner, this confirmed a fault code with the heater support pump. The CRA allows for the single chance of repair, and this repair took place in June 2024 with the replacement of the heater support pump and the water pump.

A further repair took place in August 2025, where the thermostat was replaced, but this wasn't done by the dealership. What's more, I haven't seen anything to show me, for example by way of a report from the garage who undertook the work, that the thermostat failed because it wasn't sufficiently durable, or because the fault was present or developing at the point of supply. I've also noted that the lifespan of a thermostat on the make and model of car supplied to Mr C is 15,000 to 50,000 miles.

Given this, and the age and mileage of the vehicle at the time, I'm satisfied the thermostat failure was more likely than not as a result of normal in-service wear and tear. As such, it's not something SMF are liable for.

Mr C has explained in depth about the issues he had with the car between supply and when it broke down in August 2025. While I appreciate that he was unable to complain about these issues due to his anxiety, I haven't seen anything to show me what these faults were, when they occurred, whether they were as a result of insufficient durability, or whether they were present or developing at the point of supply. This is also the case with the faults that occurred in August 2025.

As I've said above, the CRA is quite clear that the burden of proof lies with Mr C, and it's not for SMF to prove the car was of a satisfactory quality. Given that the issues Mr C is complaining about, and can evidence, occurred more than six months after the car was supplied, the CRA implies it's for him to show the car wasn't of a satisfactory quality.

We would usually expect this to be evidenced by way of a report from an independent engineer, or from an independent garage, and I've seen that SMF also advised Mr C of this in their complaint response letter. But no such report has been provided. Instead, Mr C is relying upon the work that was done on the car in June 2024, the breakdown of the car in August 2025, and his testimony that there were issues with the car between these dates. While this is noted, given the age and mileage of the car, I'm not satisfied this is enough to show that the car wasn't of a satisfactory quality when it was supplied.

Therefore, and while I appreciate this will come as a disappointment to Mr C, I'm not satisfied the car wasn't of a satisfactory quality when it was supplied to him, nor that it wasn't sufficiently durable. As such, I won't be directing SMF to take any further action.

My final decision

For the reasons explained, I don't uphold Mr C's complaint about Specialist Motor Finance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 April 2026.

Andrew Burford
Ombudsman