

The complaint

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

What happened

In September 2023, Mr C acquired a used car using a hire purchase agreement with CA Auto. The car was nearly two years old, the cash price of the car recorded on the agreement was £15,950, the agreement was for 48 months, made up of 47 regular, monthly repayments of £381.81, followed by a final payment of £391.81, which included a £10 option to purchase fee. The advance payment recorded on the agreement was £1,000. CA Auto said the car was supplied to Mr C with a mileage of 19,294 miles.

In May 2024, Mr C said the car developed a serious fault, which after several attempts to repair it with third-party garages, the problem remained. Mr C said the car began to lose power and the engine made unusual sounds, even when power to the car had been turned off.

In September 2024, Mr C complained to CA Auto. CA Auto issued their final response to Mr C in which they partially upheld his complaint. In summary, they said that Mr C hadn't informed the supplying dealership about the issues with the car. And from what they had seen, they didn't think any issues with the car were present or developing from the point of supply. CA Auto offered Mr C a refund of 25% of his monthly repayments towards the agreement for the period he was without his car.

In April 2025, Mr C informed CA Auto that he didn't accept their offer, and left frustrated with CA Auto's response, he referred his complaint to our service in June 2025. Among other things, Mr C was unhappy that he had to pay towards an agreement for a car that he had been unable to use.

Our investigator didn't uphold Mr C's complaint. In summary, he thought there was a fault with the car, but as Mr C had taken the car to a third-party for repairs, rather than to CA Auto or the supplying dealership, he didn't think it would be fair to hold CA Auto liable.

Mr C disagreed with the investigator's view. Among other things, Mr C said he had contacted CA Auto about the car when issues first arose, but they informed him he was responsible for all repair costs. He said only after contacting CA Auto did he take the car to the manufacturer under warranty.

As Mr C disagreed with the investigator's outcome, 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 not upholding this complaint and I'll explain why 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 C complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr C'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.

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 C acquired was used, two years old, had been driven around 19,300 miles and cost nearly £16,000. 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.

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.

It isn't in dispute here that the car developed a fault. I say this because Mr C has said the car was undriveable for a significant period and CA Auto also hasn't disputed there is a fault with the car. Mr C has supplied several job sheets and invoices for works carried out to the car. Among other things, these job sheets were to replace inverters, the EPCU and the PTC heater.

Mr C has also supplied an email which explained that the fault with the car was determined to be, "*...an internal electrical short which caused fuses to blow and an on-board charger had to be replaced.*"

So, on balance, I'm satisfied there was a fault with the car in May 2025, when the car's mileage was at 26,214 miles. And I think the fault was likely in relation to an on-board charger.

What I now need to consider is whether the fault with the car was present or developing at the point of supply.

It's worth pointing out that only warranty invoices have been supplied in relation to the faults and works being carried out to the car. No other information, such as an independent inspection has been provided, to show whether the issues with the car were present or developing at the point of supply. Our investigator also asked for this information and said he or CA Auto may be able to reconsider the complaint if it was provided. However, Mr C hasn't supplied any compelling evidence to indicate the faults with the car were present or developing at the point of supply. And so, with the limited information supplied, I also can't reach that conclusion and hold CA Auto liable.

CA Auto in their final response offered to reimburse Mr C 25% of monthly repayments for the

time he didn't have use of his car. In the circumstances, considering that I'm not concluding the car was supplied to Mr C of unsatisfactory quality, I think the offer is more than generous, and I suggest Mr C gets in touch with CA Auto directly to see whether the offer is still available.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require CA Auto Finance UK Ltd to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 6 February 2026.

Ronesh Amin
Ombudsman