

## The complaint

Mr J complains about a car supplied under a hire purchase agreement, provided by Black Horse Limited trading as Jaguar Financial Services ('JFS').

## What happened

Around April 2023 Mr J acquired a new electric car under a hire purchase agreement with JFS. The car is listed with a cash price of £75,590. Mr J paid no deposit.

Unfortunately, Mr J says the car developed issues. He said in January 2025, the car suffered a breakdown at speed on the motorway when driving with his family. He said there was a sudden dramatic drop in range, the car showed a "*critical battery fault*" warning and there was a near total loss of power.

Mr J said the car became completely inoperable on the hard shoulder. He said he couldn't move the car and even the hazard warning lights would not work. Given it was dark at the time, he said this caused a "*life-threatening*" situation. The car was recovered to a dealer.

At the end of March 2025 Mr J complained to JFS. He said the dealer had not identified the root cause of the issue and he wanted to reject the car. He also said he would not have acquired the car if he knew the hazard lights could fail.

JFS issued a final response towards the end of April 2025. This said, in summary, that the dealer had now repaired the car by replacing the "*HV charge port*". It said the dealer could not confirm the root cause of the fault.

JFS said as Mr J had the car for nearly two years and had covered around 25,000 miles, there was no evidence the fault was present at the point of supply.

Mr J remained unhappy and referred the complaint to our service. He said nowhere in the car's handbook does it warn the hazard lights may become inoperable. He said the car had been with the dealer for months without an explanation. And he said as the cause of the fault had not been identified, he did not think the car was safe.

Mr J then told us some more about the breakdown. He explained as he was attempting to move to the hard shoulder the steering wheel locked. He said he couldn't put the car into neutral to move it and it was partially blocking a lane on the motorway. And he confirmed again that the hazard lights would not work.

He also explained that his partner has suffered nightmares and anxiety following the incident.

JFS told our service the car was returned to Mr J on 17 March 2025. But some later evidence showed Mr J hadn't collected the car from the dealer, despite being asked to.

Our investigator issued a view and upheld the complaint. In summary, she said she thought the car had been misrepresented to Mr J. She said he'd been told that the car had a back up

system if the main battery failed, and he could've assumed from this that the hazard lights would still work in this situation.

She said Mr J should be able to reject the car, have a refund of payments from when a courtesy car was returned on 17 March 2025 and said Mr J should be paid £250 to reflect the distress and inconvenience caused. She also said Mr J should be reimbursed the cost of some fuel if he evidenced this, as he had explained the courtesy car was not electric.

Mr J accepted the view.

JFS responded and disagreed. In summary, it said the email from the dealer only gave a general reassurance to Mr J, not a technical guarantee. It also said the car's handbook gave no guarantee safety features would work if a battery failed. JFS said that there had not been a misrepresentation.

As JFS remained unhappy, the complaint was passed to me to decide. I sent Mr J and JFS a provisional decision on 19 December 2025. My findings from this decision were as follows:

*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 initially think this complaint should be upheld. I'll explain why.*

*Firstly, I'd like to explain to both parties that I might not comment on every point raised or every single piece of evidence. I want to reassure Mr J and JFS that I've carefully considered all of the available information. But I'm going to focus my decision on what I consider to be the key facts and the crux of the complaint. This reflects the informal nature of our service.*

*Our investigator explained she thought the complaint should be upheld due to a misrepresentation. I'll cover off this point first.*

*I would consider a misrepresentation to have taken place if Mr J was told a 'false statement of fact' that induced him into entering the agreement when he otherwise would not have.*

*Section 56 of the Consumer Credit Act 1974 is relevant here. This explains under the specific circumstances of this complaint, that JFS is responsible for what the dealer told Mr J before he entered the contract.*

*I've thought very carefully about what Mr J said about this. And I think it's likely some discussion around the safety of the car took place with the dealer at the time. I say this based on Mr J's testimony. And I've also seen an email to the dealer that said:*

*"The only reservation we have is around the car being electric and the safety of it?"*

*Mr J provided an email from the dealer dated three days before the contract was entered into in response. This said:*

*"Regarding the safety. The cars are very safe and there is a 12v backup battery which if the main battery fails/runs out several features of the vehicle can still function. But let's discuss further when you arrive"*

*Our investigator said Mr J could assume from this that the hazard lights would work if the battery failed. But it's important to note the narrow focus of what I'm considering here. For a misrepresentation to have happened, it isn't enough for Mr J to have been told something he*

*might then assume something else from. Mr J would've had to have been directly told a false statement of fact.*

*Thinking about the above, I've not seen enough to persuade me the statement in the email was in fact incorrect, even considering what happened to Mr J's car that I'll come on to below. And I've not seen enough to make me think, on balance, Mr J was told a different false statement of fact about the car.*

*It follows that I find a misrepresentation most likely did not take place here. I've then gone on to consider what Mr J said about the car breaking down.*

*When considering what's fair and reasonable, I take into account relevant law, guidance and regulations.*

*The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the supplier – JFS here – needed to make sure the goods were of 'satisfactory quality'.*

*Satisfactory quality is what a reasonable person would expect, taking into account any relevant factors. I'm satisfied a court would consider relevant factors, amongst others, to include the car's age, price, mileage and description. Key to this complaint, the CRA also sets out that the durability of goods can be considered as part of satisfactory quality.*

*So, in this case I'll consider that the car was new and cost over £75,000. This means I think a reasonable person would have very high standards for its quality. I think they would expect it to be in near perfect condition and would expect trouble free motoring for a significant period.*

*Firstly, I don't think it's in dispute in this case that Mr J's car did suffer a fault that caused a breakdown in January 2025, as he explained. But I think for completeness it's worth explaining I also agree this was the case. I say this as I've seen evidence the car was recovered on 7 January 2025 from the breakdown company, and I've seen later evidence from the dealer backing this up that I'll come onto below.*

*Before going further, it's worth commenting on the breakdown itself. Mr J has explained the circumstances and has given a description of exactly what happened. He's been consistent and detailed with what he said, and so I'm persuaded by his testimony here. In summary, I think it's likely the car lost power on the motorway, then lost steering function, then couldn't be moved. And I also think it's likely the hazard lights failed to function.*

*Mr J has explained this situation occurred in the dark, and I've seen a photo of the car being recovered that backs this up.*

*I'm satisfied, considering this, that the situation Mr J found himself in was extremely dangerous. He has described this as life threatening, and I do not think this is an exaggeration in the circumstances. It's important to set this out here, as I've had this in mind when considering the quality of the car.*

*This then brings me on to the contentious part of the complaint, which is what this means for satisfactory quality and what, if anything, now needs to be done.*

*All parties here are in agreement that the root cause of the breakdown has not been established. This was set out in JFS' final response, and I've seen an email from the dealer discussing the car where they state:*

*“(the repairing garage) have informed me that they were unable to fault the vehicle.”*

*“It remains that the vehicle cannot be faulted”*

*So, I don't know what caused the breakdown or what the specific fault is. However, I've considered that the fault occurred when the car had covered around 25,500 miles and was well under two years old. Even though I don't know exactly what the fault was, given the seriousness of what happened, I find whatever went wrong means a reasonable person would not consider the car to have been durable given its age and mileage at the time. It follows I find it was not of satisfactory quality when supplied.*

*I've then gone on to consider what would be reasonable to put things right. JFS, in summary, explained a repair had taken place to the car. A repair was a remedy available under the CRA to correct things for Mr J. But, having reviewed the evidence, I'm not persuaded a repair to the fault that caused the breakdown has been successfully completed. I'll explain why.*

*JFS said in its final response that the car had been repaired as the high voltage charge port was replaced. But I've seen an email from JFS to the dealer where it states:*

*“During our call, you mentioned that the (breakdown company) had damaged the HV port. Do you happen to have any evidence to support this?”*

*In response, the dealer said:*

*“Thank you for your email. I haven't got the emails but the clear proof is that (breakdown company) paid the attached invoice for the damage, £2,298.11, ie it was not warranty.”*

*Another email from the dealer stated:*

*“The repair carried out was in fact damaged caused by the (breakdown company) and the (breakdown company) paid for this invoice.”*

*I've also seen a copy of the breakdown report from 7 January 2025. This said:*

*“We have recovered your vehicle – **Charging port damaged**” (emphasis added by myself)*

*Mr J also explained because the car couldn't be put into neutral, there were issues with the recovery, and said it was damaged at this time.*

*Thinking about all of the above, I find the charging port was damaged after the breakdown, by the recovery company. This means any repair to this very likely did not fix whatever fault occurred prior.*

*I've then considered that a further repair took place. I've seen a copy of a job sheet. This is dated 19 March 2025, and the mileage is noted as 25,629. This says:*

*“Replaced battery under goodwill as fault indicated battery issue but battery tests tested ok. Replaced battery to restore client faith in the brand”*

*I've thought carefully about this. It's important to consider this in context with the above where it was confirmed no fault was found with the car. I'm satisfied here a battery was replaced that tests indicated was not faulty. And I've noted the job sheet specifically states this was done “to restore client faith in the brand”.*

*Thinking about this, I'm not persuaded this repair most likely fixed whatever the underlying*

*fault was either.*

*The CRA explains:*

*““repair” in relation to goods that do not conform to a contract, means making them conform”*

*In other words, this means a repair would need to return the car to being of satisfactory quality. But having thought about everything, I’m not persuaded that whatever the underlying fault with the car that caused the breakdown was put right. This means I’m satisfied the car likely remains of unsatisfactory quality. And it follows that this means I’m satisfied a repair, as defined under the CRA, has not taken place.*

*Mr J asked to reject the car. I’m satisfied because a repair has not taken place that he now has the final right to reject under the CRA. And so, I find he can now reject the car.*

*I’ve then considered what else needs to happen to put things right.*

*Mr J explained he hasn’t had possession of the car since the breakdown. And although JFS said it was collected in March 2025, I think what Mr J says is correct. I say this as I’ve seen an email from the dealer in October 2025 that stated:*

*“This car is still on site with us at (name and location), since 9th January 2025”*

*I’ve considered what Mr J said about the courtesy car provided. I appreciate there may have been additional costs with fuel, although it’s difficult to evidence exactly what this would’ve been. The main thing is that Mr J was kept mobile. That being said, I have considered this point as part of distress and inconvenience which I’ll come on to below. But I find JFS can retain the payments under the agreement for the time Mr J had a courtesy car, which I believe was up until 17 March 2025.*

*After this point, I’m satisfied Mr J hasn’t had use of a car. So, I find JFS needs to reimburse all payments to the agreement from this time.*

*I agree with our investigator that Mr J has been caused distress and inconvenience because of what happened. She said JFS should pay £250 for this. But I don’t think this fairly reflects the situation.*

*I’ve had in mind that the breakdown itself must have been extremely frightening for Mr J, given the car was immobile on the motorway, at night, without functioning hazard lights. He’s explained his family was with him at the time, which must have been very stressful for him. Mr J has been without his own car for nearly a year. And he’s explained he’s had to organise a separate car, which must have had an impact on his finances.*

*Our service’s approach to payments for distress and inconvenience can be found on our website. Having reviewed these, I’m satisfied Mr J suffered considerable distress and has been caused disruption over many months. I find JFS should pay him £750 to reflect this.*

I gave both parties two weeks to respond with any further comments or evidence.

Mr J accepted the decision. JFS didn’t respond.

### **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 thought about all of the information again, I still think this complaint should be upheld. This is due to the same reasons I set out in my provisional decision above.

### **My final decision**

My final decision is that I uphold this complaint. I instruct Black Horse Limited trading as Jaguar Financial Services to put things right by doing the following:

- end the finance agreement ensuring Mr J is not liable for monthly rentals after the point of collection (it should refund them any overpayment for these if applicable);
- take the car back (if that has not been done already) without charging for collection;
- Reimburse all payments made to the agreement post 17 March 2025\*
- Pay Mr J £750 to reflect the distress and inconvenience caused
- Remove any adverse information from Mr J's credit file in relation to this agreement

\*These amounts should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If JFS considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr J how much it's taken off. It should also give Mr J a tax deduction certificate if he asks for one, so he 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 J to accept or reject my decision before 5 February 2026.

John Bower  
**Ombudsman**