

The complaint

Mr L complains about a car supplied under a hire purchase agreement, provided by STARTLINE MOTOR FINANCE LIMITED.

What happened

Around February 2025 Mr L acquired a used car under a hire purchase agreement provided by Startline. The car is listed with a cash price of £13,147. Mr L paid a deposit of £99. The car was around five years old and had covered around 22,185 miles.

Unfortunately, Mr L says the car developed issues. He said he had to pay for brake discs and pads to be replaced not long after he got the car. And he later said warning lights appeared on the dash. After getting a diagnostic, the car was returned to the dealer and an ABS sensor replaced.

Mr L complained to Startline, and it issued a final response in July 2025. This said, in summary, that the dealer had confirmed to Startline that the car had been repaired and returned to Mr L.

Mr L then explained following this repair, the warning lights came back on after only around 20 miles of driving. Mr L complained to Startline again and asked to reject the car.

Startline asked Mr L to get a diagnostic report. Mr L took the car to a third-party garage for a diagnostic and explained this garage repaired the car without his permission, fitting another new ABS sensor. Mr L then asked the garage to remove this.

Startline issued a final response in September 2025. This said, in summary, that Mr L couldn't reject the car as repairs had been carried out without its permission.

Mr L remained unhappy with this and referred the complaint to our service. Mr L explained the car had ongoing issues and didn't function properly due to a lack of traction.

Our investigator then issued a view and upheld the complaint. She said, in summary, that she thought the car had a fault with an ABS sensor. She said she thought this meant the car was of unsatisfactory quality. And she said she thought a repair had failed, so said Mr L had the right to reject the car.

Startline was unhappy with this. It said Mr L should not have the right to reject the car as a third party had carried out repairs.

As Startline remained unhappy, the complaint has been 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 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 L and Startline 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.

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 – Startline 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. The CRA also sets out that the durability of goods can be considered as part of satisfactory quality.

In this case I'll consider that the car was just over five years old. This means I think a reasonable person would not expect it to be in the same condition as a newer, less road worn model. I think they would expect some parts of the car to have suffered from wear and tear. But, the car had completed a relatively low mileage for its age of just over 22,000. So, I think a reasonable person would still expect it to be in good condition, free from anything other than minor defects and would expect trouble free motoring for some time.

Mr L complains about two main issues, so I'll consider these in turn.

Brake disks and pads:

Mr L said these were corroded and needed to be replaced not long after he got the car.

These are parts of the car that would suffer from wear and tear. While Mr L has provided some evidence these were replaced, this doesn't contain key information such as the date and mileage of the repair. And I've seen no testimony from the repairing garage or other information.

Thinking about this, I haven't seen enough to persuade me the discs and pads were not road legal and safe when the car was supplied – which is what I would expect in this case. It follows I don't think this issue made the car of unsatisfactory quality.

ABS sensor and warning lights:

It doesn't seem in dispute Mr L's car developed a fault with an ABS sensor. And I've seen evidence to back up Mr L's version of events here.

I've seen an invoice from 4 June 2025 for a cost of £30 for a diagnostic. This was supplied with a handwritten quote, which I've assumed was from the same date and garage which said:

"ABS SENSOR"

"FAULT CODE C1330, Right Front ABS SENSOR OPEN CIRCUIT"

I've then seen an email from a different third-party garage dated 13 June – presumably 2025 – which said:

“The vehicle in question came to us with brake-related warning lights on the dashboard (ABS, ESP, hill start).

After carrying out a diagnostic test via checking fault codes and live data and testing at source my technicians concluded that the fault lay at the front right wheel speed sensor wiring which has an open circuit”

I've then seen a job sheet from the supplying dealer dated 22 July 2025. The mileage was recorded as 24,521. This said:

“1. The OSF ABS sensor has been replaced as needed and is now working fine.”

So, I'm satisfied around the start of June 2025 Mr L's car developed a fault with the ABS sensor. I've then considered what this means in terms of the car's quality when supplied.

At this point, Mr L had the car for just over three months. And he'd covered less than 2,336 miles. I'm satisfied this means either the fault was present or developing at the point of supply, or if not, that the car wasn't durable. It follows I find the car was of unsatisfactory quality when supplied.

That being said, as above it's been evidenced that a repair was completed. A repair was a remedy available to Mr L under the CRA. So, initially, I'm satisfied Mr L's rights were broadly met.

This brings me to the key thing to consider here, which is whether the repair was successful, or if the fault returned.

There is something of a lack of evidence here. Mr L has provided a diagnostic showing related fault codes from after the repair. But there is little other evidence to consider, and fault codes, in isolation, can only show so much. But, having thought about this, I'm satisfied Startline accepted the fault returned. I say this as in its final response it explained it spoke to a third-party garage who said it carried out a further repair to the ABS sensor. And I've noted Startline hasn't disputed this.

Thinking about this, I'm satisfied on balance this means the first repair didn't resolve the issue.

I then need to consider what, at this point, I think is the crux of the complaint, which is whether this means Mr L has a right to reject the car.

The CRA explains that after one repair, if the car remained of unsatisfactory quality, that Mr L would have the final right to reject. I'm satisfied, given I've found above that the repair failed, that this was the case. But this is then somewhat complicated here, as a further repair was then carried out.

I've carefully thought about this. Mr L said the repair was not authorised by him, and Startline has stated the garage told it this had been reversed at Mr L's request. Under the very unique circumstances here, I think it's fair to view things as if this second repair had not taken place. This means, as above, that Mr L *would've* had the final right to reject when he asked to reject the car.

I want to reassure Startline that I've carefully considered what it said about this. But I find by taking the car to a third party rather than to the supplying dealer for a diagnostic, this would not affect his right to reject the car. So, I find it reasonable that Mr L is now allowed to reject it.

I've thought about what else needs to be done to put things right.

I've considered whether a payment should be made for impaired use of the car. Mr L said the issue has caused problems driving the car with traction and selecting gear, but this isn't reflected in any other evidence. And our investigator asked Mr L on more than one occasion to provide a current photo of the dash to see the mileage covered, but this wasn't provided. This means I haven't seen enough to persuade me Mr L's use of the car was impaired to the point Startline needs to take any action. It follows I find Startline can retain 100% of the monthly payments made.

I've carefully considered the distress and inconvenience caused here. But again, there is a lack of evidence about what happened. Mr L has had to take the car for a repair and diagnostics, but I have little other information about the impact on him. As above, I don't know how this affected Mr L's use of the car. So, again it's hard to see how this in turn affected Mr L. Thinking about all of this, I've not seen enough to persuade me Startline needs to make a payment here given the lack of information.

I've then considered the cost of diagnostics. I agree with our investigator that Mr L should be reimbursed these. Mr L has provided one invoice, so he will need to provide the others to Startline directly.

My final decision

My final decision is that I uphold this complaint. I instruct STARTLINE MOTOR FINANCE LIMITED to put things right by doing the following:

- end the finance agreement ensuring Mr L 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 Mr L's deposit of £99*
- Reimburse Mr L £30 from 4 June 2025 for the cost of a diagnostic*
- Reimburse Mr L for other diagnostics carried out in relation to this issue, on production of evidence such as an invoice and receipt for payment*
- Remove any adverse information from Mr L'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 Startline considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr L how much it's taken off. It should also give Mr L 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 L to accept or reject my decision before 14 May 2026.

John Bower
Ombudsman