

## The complaint

Mr O complains that the car he acquired through Toyota Financial Services (UK) PLC, trading as Redline Finance (“TFS”) was mis-sold to him. He wants to reject the car and have the credit agreement unwound.

## What happened

Mr O entered into a hire purchase agreement in September 2023 to acquire a used car. The cash price of the car was £21,027.01, and with an advance payment of £500, the credit provided to Mr O was £20,527.01. The credit agreement was set up over a term of 60 months, and Mr O’s monthly payments were £458.63. If the agreement ran to term, then the total repayable under the agreement would be £28,017.80. At the time of acquisition, the car was nearly seven years old and had been driven more than 74,000 miles.

Mr O told us:

- Although he acquired the car under the finance agreement, this was for the benefit of a member of his family, and he transferred the ownership of the car to them;
- in February 2025 the car was taken for servicing, and it was reported that one of the car doors had been replaced at some point prior to his acquiring the car, and the replacement door was not manufacturer-approved – the car was deemed unsafe;
- it was suggested to him that the door replacement came about following an accident the car had been involved in – something that was not disclosed when he acquired the car;
- the car hasn’t been driven since;
- there’s other issues with the car - the front passenger door doesn’t open making it unsafe in an emergency; one of the car windows can be pulled down by children even when locked; and there’s a toxic smell under the carpet;
- the impact of not being able to use the car, including the cost of taxis and the disruption caused by not being able to take the children out regularly;
- he wants to reject the car, have the credit agreement cancelled and be given a full refund because the car was sold to him with serious faults.

TFS rejected this complaint. It said it was confident that robust and comprehensive checks had been carried out before the car was supplied to ensure it was in a good, safe, roadworthy and sellable condition. TFS said that checks undertaken included a *pre-delivery inspection* and a *multi-point check*, as well as an *HPI* check. TFS said none of these checks indicated the car had previously been written off, or that it had previously been involved in an accident. TFS also noted that despite Mr O’s claims that the car was not of satisfactory quality, it had been driven more than 20,000 miles in the 18 months since supply.

TFS did say that if Mr O were to take the car to one of its service centres, it would assess the car and complete any required repairs at a discounted rate. But it said that it had seen no evidence that anything Mr O complained about was present or developing at the point of supply, so this offer was simply a gesture of goodwill. TFS acknowledged the delay in dealing with Mr O’s complaint and it offered him a goodwill payment.

Our Investigator looked at this complaint and said she thought it should be upheld and she set out what she thought TFS should do to fairly settle this complaint.

Our Investigator explained that she'd first considered whether Mr O had been mis-sold the car; whether it had been misrepresented to him. But because no false statement of fact had been made, she was satisfied that the car had not been misrepresented at the time Mr O acquired it.

She then considered whether the car was of satisfactory quality when it was supplied, and she explained the relevance of the Consumer Rights Act 2015 ("CRA") in the circumstances of this particular complaint. She accepted that there were issues with the car, but said she'd seen nothing that persuaded her that the car was not of satisfactory quality when supplied. She accepted that any replacement of the car door had taken place before Mr O acquired the car, so she asked TFS to have the car independently assessed and said that TFS would be responsible for any repairs if it were concluded that the issue with the door was an inherent fault.

For the other faults that Mr O complained about, our Investigator explained that under the legislation, because he'd had the car for more than six months, he'd need to provide evidence that these other faults were inherent; they were present or developing at the point the car was supplied.

Mr O disagrees so the complaint comes to me to decide. He says he believes he's entitled to have the loan agreement cancelled and the car taken away.

### **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 considered all the evidence and testimony afresh, I've reached the same conclusion as our Investigator and for broadly the same reasons. I'll explain why.

I hope that Mr O won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Mr O should note, however, that although I may not address each individual point that he's raised, I have given careful consideration to all of his submissions before arriving at my final decision.

The hire purchase agreement entered into by Mr O is a regulated consumer credit agreement which means that this Service is able to consider complaints relating to it.

Like our Investigator, I've first of all very carefully considered whether or not the car was misrepresented to Mr O, but I'm not persuaded that this is the case here.

When considering misrepresentation I need to consider two things – if there was a false statement of fact and, if so, did that false statement of fact induce Mr O to choose this particular car.

But based on the evidence I've seen, there's simply no evidence that the supplying dealership, and therefore TFS by extension, knew that the car door in question had been replaced by the previous owner as a result of an accident. The documents I've had sight of confirm that the previous owner declared that the car had not been involved in a major road accident; the HPI check confirmed that the car had not previously been written off; and the

other pre-sale documentation and checks show no record of door repairs or door replacement.

In conclusion, I'm persuaded that neither the supplying dealership nor TFS knew about any damage to the door or that it had been replaced. And consequently I can't conclude that a false statement of fact was made to Mr O when he chose to acquire this car, and I can't therefore conclude that the car was misrepresented to him.

Next, I've considered whether the car supplied by TFS was of satisfactory quality, and the relevant legislation here is the Consumer Rights Act 2015 ("CRA").

Under the CRA there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mr O was of satisfactory quality or not.

The key thing here is that CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless TFS can show otherwise. But, if the fault is identified after the first six months, then it's for Mr O to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr O took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask TFS to put this right.

This means that for the issue with the car door, and the assertion that it's substandard and unsafe, it's fair that TFS instruct and arrange an independent inspection of the car door. And if the car door is found to be faulty, then TFS is responsible for its repair. This is because all parties accept that the *issue* with the car door was present or developing at the point of sale.

But for the other faults that Mr O complains of; the carpet's toxic smell, and the inoperable front passenger door, it's for Mr O to provide evidence about the cause of these problems. That evidence would ideally be a report from an appropriately qualified independent engineer – instructed and paid for by Mr O – and that report would need to conclude that any fault(s) were present, and that they were likely present or developing in September 2023 when the car was first supplied. But without that evidence, I'd be unable to conclude that any faults associated with the carpet or the front passenger door make the car to be not of satisfactory quality when supplied.

In conclusion, I'm going to direct TFS to have the car door inspected and, if found to be faulty, it will pay to have this inherent fault repaired. And I'm also going to ask it to pay Mr O the £50 compensation it previously offered – if this has not already been paid.

### **Putting things right**

Unless it's already done so, I direct Toyota Financial Services (UK) PLC, trading as Redline Finance to:

- arrange an inspection of the replacement door at no further cost or inconvenience to Mr O;
- pay the costs involved to repair any identified fault with the replacement door;

- pay Mr O the £50 compensation it previously offered.

**My final decision**

My final decision is that I uphold this complaint and require Toyota Financial Services (UK) PLC, trading as Redline Finance to settle it as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 20 February 2026.

Andrew Macnamara  
**Ombudsman**