

## **The complaint**

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

## **What happened**

In May 2023, Mr B acquired a brand-new car using a personal contract purchase agreement with CA Auto. The cash price of the car recorded on the agreement was £81,355, the agreement was for 60 months, made up of 59 regular, monthly repayments of £946.68, followed by a final payment of £41,929, which included a £10 option to purchase fee. The advance payment recorded on the agreement was £8,500.

Mr B had several issues with the car since he acquired it. Some of the issues Mr B experienced were in relation to:

- Rusty bolts and trim falling off the car.
- The car’s heating system.
- Several warning lights appearing on the car’s dashboard.
- The car’s safety system and airbag system.

Mr B complained to CA Auto in October 2024, and his complaint wasn’t upheld in November 2024. In summary, they thought that the car had been repaired and that the dealership had remedied the situation.

Mr B raised a complaint with our service previously (“Complaint A”), where an investigator found that the car wasn’t supplied to Mr B of satisfactory quality. The investigator went on to explain to CA Auto what they needed to do to put things right. Among those, was for Mr B to be reimbursed for the time he was without the car, when repairs were taking place.

Following the acceptance of both parties to Complaint A, Mr B said he experienced further issues with the car, following the repairs that were completed to it.

Mr B complained to CA Auto as he wished to reject the car.

CA Auto issued a final response in October 2025. They said that the car had been repaired and was currently free of faults. They said that the dealership agreed to reimburse Mr B £1,200 for transport fees he incurred and the equivalent amount of a monthly repayment. CA Auto also agreed to reimburse Mr B an equivalent amount to a monthly repayment, which in total amounted to around £3,100.

Unhappy with the outcome reached, Mr B referred his complaint to our service (“Complaint B”).

During our involvement, further developments occurred. The dealership agreed to purchase the car, clear the outstanding balance on the account for the agreement Mr B held with CA Auto and also refund Mr B his monthly repayments he had made towards his agreement from June 2025 to October 2025.

Our investigator issued his view where he explained what he thought CA Auto needed to do to put things right. Among other things, the investigator thought Mr B should be allowed to reject the car.

CA Auto responded and gave a breakdown on the payments they had already made to Mr B, some of which were in relation to Complaint A. As CA Auto didn't think Mr B should be allowed to reject the car, 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 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.

To be clear, I won't make any comments on the previous complaint Mr B raised to our service and on the findings the investigator reached on Complaint A. However, I will still consider the history and the events that have occurred, in order to reach a fair and reasonable outcome to this complaint (Complaint B).

Mr B complains about a car supplied to him under a personal contract purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr B'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. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note here that the car Mr B acquired was brand-new and I think a reasonable person would expect it to be in excellent condition, with no faults or issues. And I think they would expect trouble free motoring for a significant period.

It isn't in dispute here that the car Mr B acquired had faults with it and in turn that it was supplied to him of unsatisfactory quality. I say this because, CA Auto had already accepted this, by agreeing to the outcome the investigator reached in Complaint A. So, I don't need to make a finding on this matter.

It also isn't in dispute here that further faults occurred with the car, post repairs being carried out to it. I say this because I can see that CA Auto agreed to reimburse some of the costs that Mr B had incurred. I don't think CA Auto would have agreed to do this, had there not had been further issues in relation to the car.

CA Auto said that the car was over two years old and had travelled over 13,000 miles – and so, they thought it was reasonable to expect that the car would be prone to wear and tear issues.

It is worth noting that I have seen an email trail where the repairing garage clarified that the car hadn't been driven 13,000 miles, as CA Auto said it did. And that as of October 2025 (over two years since the point of supply), it had only done a little over 2,000 miles.

So, while I haven't seen job sheets or been provided with specific details about the faults and the repairs carried out to the car, I'm satisfied from what I have seen that it is likely the car wasn't driveable or in a condition to be used for significant periods whilst Mr B was supplied it.

Given that the car was brand-new when it was supplied to Mr B, and due to the history of repairs that have been carried out to the car, and that it was only driven around 2,000 miles in over two years, I'm satisfied the car wasn't durable. I wouldn't expect there to be a need to repair several items to the car so early in the car's lifetime. And so, I'm satisfied a reasonable person would not consider it to have been of satisfactory quality when it was supplied to Mr B.

### Remedies under the CRA

What I need to go on to consider is whether the further faults Mr B experienced with the car allow him to reject it under the CRA. CA Auto don't believe Mr B is able to do so.

Section 24(5) of the CRA says:

*“a consumer who has ... the right to reject may only exercise [this] and may only do so in one of these situations – (a) after one repair or replacement, the goods do not conform to contract.”*

This is known as the single chance of repair. And this applies to all issues with the goods, and to all repairs i.e. it's not a single chance of repair for the dealership *and* a single chance of repair for CA Auto – the first attempted repair is the single chance at repair. What's more, if a different fault arises after a previous repair, even if those faults aren't related, the single chance of repair has already happened – it's not a single chance of repair per fault.

In this case, there were some attempts to repair the car, which were addressed in Complaint A. But then a fault arose with the car's air conditioning system and with the engine management light illuminating on the car's dashboard on its return to Mr B.

So, I'm satisfied CA Auto already had the opportunity to repair the car and I think it failed or the car had an underlying fault that was never put right. I am also satisfied that Mr B asserted his right to reject the car. While CA Auto believe Mr B accepted the offer they had made to him, my understanding is that he hadn't. As he continued to progress his complaint with our service. And so, it follows that I think it is fair and reasonable for Mr B to be allowed to do so.

### Other costs

I'm aware further developments have occurred while this complaint has been with our service. And CA Auto has since provided a brief breakdown of the payments they have made, some of which were in relation to Complaint A. What isn't clear is whether CA Auto

have put Mr B back into a position our service would normally consider fair and reasonable, given the circumstances.

To move this complaint forward pragmatically, and without any further delays, I have set out my direction below on what I think is a fair and reasonable outcome, for the avoidance of doubt. It may well be that CA Auto has already actioned some, if not all the things below. And if CA Auto has already given compensation in relation to this specific complaint (Complaint B), the final amount should be less the amount already given.

Mr B has explained that he incurred costs to have the car transported and several occasions. My understanding is that this amount totalled £1,200 as confirmed in the final response CA Auto sent Mr B and from emails between CA Auto and the dealership that I have seen. And so, as I'm satisfied the car should be rejected, it follows that I also think these costs should be reimbursed to him, if they have not been already.

I also understand that Mr B was without use of the car for some time and wasn't provided a means to have been kept mobile. This was from June 2025, as Mr B was expected to receive the car back after repairs. However, due to issues with it, it was never returned to him. My understanding is that CA Auto agreed for Mr B to be reimbursed five monthly repayments made between June and October 2025, up to when I believe the agreement ended. I think this is fair and reasonable in the circumstances.

#### Distress and inconvenience

I'm also mindful of the impact and inconvenience this complaint has had on Mr B. As I've explained above, Mr B had been without the use of his car for a significant time, and it is clear to see from the evidence supplied the effort Mr B had to make to raise his complaint and to reach a satisfactory conclusion to it. Given what Mr B has told our service about the impact this complaint has had on him, I'm satisfied that CA Auto should pay Mr B £250 for the distress and inconvenience caused.

#### **My final decision**

For the reasons I've explained, I uphold this complaint and I instruct CA Auto Finance UK Ltd to put things right by doing the following:

- End the agreement ensuring Mr B is not liable for monthly rentals after the point of collection, if this has not been done already (it should refund any overpayment for these if applicable).
- Collect the car (if this has not been done already) without charging for collection.
- Refund Mr B's advance payment towards the agreement of £8,500. If any part of this advance payment was made up of funds through a dealer contribution, then CA Auto doesn't need to refund this amount. \*
- Reimburse Mr B £1,200 for the transportation costs he incurred in having the car diagnosed, inspected and for the repairs to be carried out to the car, if this has not been paid already. This should be paid to Mr B on production of evidence to CA Auto to show that payment was made by him. \*
- Reimburse Mr B a pro rata of his monthly repayments made from June 2025 to July 2025. \*
- Pay Mr B £250 to reflect the distress and inconvenience caused.
- Remove any adverse information from the customer's credit file in relation to the agreement, if any.

\* These amounts should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If CA Auto considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr B how much it's taken off. It should also give Mr B a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue and Customs if appropriate.

If CA Auto has already given compensation in relation to this specific complaint (Complaint B), the final amount should be less the amount already given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 26 March 2026.

Ronesh Amin  
**Ombudsman**