

## The complaint

Mr O is unhappy that a car supplied to him under a hire purchase agreement with Black Horse Limited was of an unsatisfactory quality.

## What happened

In January 2023, Mr O was supplied with a used car through a hire purchase agreement with Black Horse. He paid an advance payment of £2,000 and the agreement was for £14,900 over 49 months; with 48 monthly payments of £234.40 and a final payment of £5,736. At the time of supply, the car was around three and a half years old and had done 8,572 miles (according to the agreement).

Mr O started to have problems with the car from shortly after it was supplied to him. After complaining to the supplying dealership, the coil pack was replaced in June 2023. However, this didn't resolve the issue, and the car went back in for repair, where a loose connection of the replacement coil pack was tightened.

In February 2025, Mr O complained to Black Horse about what had happened. They accepted there had been a problem with the car when it was supplied, and that this had now been repaired. But they said there was no evidence of any ongoing fault with the car that was present when it was supplied, or that the second repair had failed. And they offered Mr O £100 compensation for what happened.

Unhappy with this response, Mr O brought his complaint to the Financial Ombudsman Service for investigation.

Our investigator agreed the car had been faulty when it was supplied to Mr O, but it had been successfully repaired. And there was no evidence of any current fault with the car that was present or developing when the car was supplied to Mr O – while the engine management light (EML) was coming on, this wasn't, in itself, indicative of a fault, and could be caused by a range of issues. So, without anything to show a current issue, the investigator thought the £100 offered by Black Horse was reasonable in the circumstances.

Mr O didn't agree with the investigator. He said his complaint isn't about serviceable items such as spark plugs or coil packs, but the car has been faulty since it was supplied to him and *"the [EML] has remained illuminated since the day we took delivery, despite multiple diagnostic attempts and repairs ... the fault has never been resolved."* He also said that he considered the car to be unsafe to drive, diagnostic codes are limited and misleading, and that *"there are ongoing symptoms of a deeper mechanical defect, not simple maintenance."*

Because Mr O didn't agree, this matter 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've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr O was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

The Consumer Rights Act 2015 ('CRA') says, amongst other things, that the car should've been of a satisfactory quality when supplied. And if it wasn't, as the supplier of goods, Black Horse are responsible. What's satisfactory is determined by things such as what a reasonable person would consider satisfactory given the price, description, and other relevant circumstances. In a case like this, this would include things like the age and mileage at the time of sale, and the vehicle's history.

The CRA also implies that goods must conform to contract within the first six months. So, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless Black Horse can show otherwise. 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 Black Horse to put this right.

It's not disputed there was a problem with the car when it was supplied to Mr O. 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, if that single chance at repair fails, then Mr O has the right of rejection. However, this doesn't mean that Mr O is required to reject the car, and he can agree an alternative remedy i.e., further repairs to the car.

In this instance, a replacement coil pack was fitted, but this didn't resolve the problem. It turned out the replacement coil pack had a loose connection and, once this was tightened, this resolved the issues with the coil pack. I haven't seen anything to show me that the replacement coil pack has subsequently failed so, while it made the car of an unsatisfactory quality when it was supplied to Mr O, as the repair was successful, he no longer has the right to reject the car for this.

Mr O has also said that the car has had a fault since it was supplied to him, and that the EML has always been illuminated. A failed coil pack would cause the EML to illuminate, so I'm satisfied that, until this was successfully repaired, the EML was most likely illuminated. The failed coil pack would also have caused the symptoms Mr O complained about – poor engine performance with a loss of power when accelerating.

However, if the EML is illuminated, this is also an automatic MOT failure. I've reviewed the MOT record for the car supplied to Mr O, and I've seen that it passed an MOT on 25 July 2023, albeit with an advisory for the tyres and track rod end, when it had done 12,094 miles. I'm therefore satisfied the EML wasn't illuminated at the time of the MOT, which also shows that the issue with the coil pack had been fixed by this date, causing the EML to go off.

The car initially failed an MOT on 25 July 2024 due to the track rod end – an advisory from the previous MOT. However, this was repaired, and the car then passed a further MOT test the same day, with no advisories. At this point the car had done 19,406 miles. As an MOT

pass is not possible with the EML illuminated, I'm also satisfied the EML wasn't illuminated at the point of this MOT either.

The car failed a further MOT test on 24 July 2025, when it had done 27,332 miles. This was due to the EML being illuminated. A service invoice the same day shows that some work was done on the car, including replacement spark plugs – failed or worn-out spark plugs would cause the EML to illuminate on the make and model of car supplied to Mr O. They also cause poor engine performance and lack of power when accelerating – the symptoms Mr O has complained about. Once this work had been done, the car passed an MOT the same day, albeit with advisories for a chipped windscreen, brakes, and tyres.

Mr O has since provided photographic evidence of the EML being illuminated on the car in October 2025, when the car had done 28,818 miles.

So, to summarise this, the initial problem with the coil pack would've caused the EML to illuminate and the symptoms Mr O is complaining about, but this was repaired by July 2023. There is then no evidence of the EML being illuminated until July 2025 when the spark plugs were replaced. As Mr O has said in his comments, these are serviceable items, and they don't make the car of an unsatisfactory quality.

Given the photographic evidence, I'm satisfied the EML is now illuminated again. But this has occurred more than two years after the car was supplied to Mr O, and the CRA implies that, in these circumstances, it's for Mr O to provide evidence there is a current fault with the car that was either present or developing when the car was supplied to him, or is as a result of the car being insufficiently durable.

This evidence would usually be in the form of a report from an independent engineer, or a diagnostic or report from an independent garage. However, with the exception of the photographs of the EML being illuminated, Mr O hasn't provided any evidence of a fault with the car. While an EML could be an indicator of a fault, it could also be an indicator of the failure of a service item, such as an O<sub>2</sub> sensor; or it could be due to something like a clogged filter or a loosely fitting fuel cap.

As such, and while I appreciate this will come as a disappointment to Mr O, without some supporting evidence of a fault with the car that was either present or developing when the car was supplied, or one that's caused by the car being insufficiently durable, I'm unable to conclude that the EML currently being illuminated shows the car remains of an unsatisfactory quality since it was supplied to Mr O (and following the successful coil pack replacement). Therefore, I won't be asking Black Horse to take any further action.

### **My final decision**

For the reasons explained, I don't uphold Mr O's complaint about Black Horse Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 March 2026.

Andrew Burford  
**Ombudsman**