

The complaint

Mr S complains the motorbike he acquired financed through a hire purchase agreement with First Response Finance Limited (“First Response”) wasn’t of satisfactory quality.

What happened

On 13 November 2024 Mr S acquired a motorbike financed through a hire purchase agreement with First Response. Mr S said shortly after taking receipt of the bike a ‘stuttering’ issue appeared. He reported this to First Response. First Response agreed to cover the cost of repairing the issue as the fault was deemed to be developing at the point of sale.

In March 2025 Mr S said a further problem occurred. He said the rear indicators were fitted incorrectly prior to Mr S acquiring the motorbike. Mr S raised a complaint with First Response. He said this was a fundamental safety component and raised serious concerns about the overall quality and standard of the motorbike.

First Response asked Mr S to arrange for the motorbike to be inspected. The report detailed wiring problems with the indicators that Mr S said were fitted to the motorbike prior to his purchase. He asked to return the motorbike.

In its final response letter First Response did not uphold the complaint. It said the faults had been found to have occurred after the vehicle was purchased. Mr S didn’t agree and brought his complaint to our service.

Our investigator concluded that First Response had acted fairly and recommended it need not do anything further. Mr S wasn’t satisfied and asked for a decision from an ombudsman. I issued a provisional decision on 31 January 2026. I said:

“In considering what is fair and reasonable I need to have regard to the relevant law and regulations, regulator’s rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time. Mr S’s hire purchase agreement is a regulated consumer agreement and as such this service can consider complaints relating to it.

First Response, as the supplier of the motorbike, was responsible for ensuring it was of satisfactory quality when it was supplied to Mr S. Whether or not it was of satisfactory quality at that time will depend on several factors, including the age and mileage of the motorbike and the price that was paid for it. The motorbike was about three and a half years old, had been driven for 9,300 miles and had a price of £5,795. Satisfactory quality also covers durability which means that the components within the motorbike must be durable and last a reasonable amount of time – but exactly how long that time is will depend on several factors.

If I am to decide the motorbike wasn’t of satisfactory quality I must be persuaded faults were present at the point of supply. Faults that developed afterwards are not relevant, moreover even if the faults reported were present at the point of supply this will not necessarily mean the motorbike wasn’t of satisfactory quality. This is because

a second-hand motorbike might be expected to have faults related to reasonable wear and tear.

I'm satisfied there is a fault with the vehicle. I say this because I've seen a copy of a report from a third-party garage, G, which says:

"Faulty indicators at rear, investigated, rear indicators wired with (connectors) and electrical tape causing rear trim to not fit properly. Both lights are faulty."

First Response hasn't disputed there is a fault with the indicators.

The report itself does not specify whether the indicators were faulty at the point of sale. Mr S provided a statement from G. It says:

"Left and right indicators are not working and warning light is on the instrument cluster advising fault with lights. The rear indicators aren't original or genuine to the bike and are faulty also not fitted properly as the trim doesn't fit properly behind the rear light. The electric connections for the rear indicators aren't secure or waterproof and have been fitted badly and not to factory standard.

The indicators aren't secure not to factory standards and wouldn't have lasted long after being installed. The rear indicators don't look as so they have been installed by a professional and wouldn't have lasted as poor quality.

Genuine left and right rear indicators are needed and connections to the bike loom need to be properly connected and heat shrink to waterproof the connections. Due to this being an MOT fail I would advise it needs repair and replace as soon as possible."

I haven't seen any evidence to suggest Mr S was responsible for the badly fitted non-genuine parts though I accept he could be. But the first fault Mr S had with the vehicle related to an aftermarket exhaust which First Response agreed was present at the point of sale. So there was at least one other non-genuine part on the bike when Mr S bought it. Mr S reported the indicator problem to First Response four months after acquiring the motorbike. So I think it's quite possible the fault was present or developing at the point of sale.

First Response has said it hasn't received any evidence to confirm that this issue was present at the point of supply. It said the vehicle had passed its MOT at that time and had been inspected prior to that. It said no issues with the indicators had been identified. First Response said the MOT should not be discounted as evidence. It said if there was a fault with the indicators this would have been highlighted. It also said the indicators were not an issue when repairs were carried out for the first fault.

The MOT is done to ensure the vehicle complies with roadworthiness and environmental standards. An MOT 'pass' is not necessarily a measure of whether the motorbike was of satisfactory quality with respect to the Consumer Rights Act 2015. MOT testing is visual and non-invasive. The Driver and Vehicle Standards Agency's MOT Testing Guide for Test Stations says:

"The test is a visual inspection and does not require the dismantling of parts of the vehicle although doors, boot lids and other means of access will normally need to be opened. In the case of motor bicycles, cover panels may also need to be removed or raised to examine the vehicle structure."

G has said the trim doesn't fit properly behind the rear light but the report doesn't say if this or the wiring is visible or not. And the trim would not necessarily be a cover panel requiring removal for an MOT. If the wiring wasn't visible then there would be no reason for the MOT tester to look beyond the visual check that the lights work.

As Mr S reported the problem to First Response within the first six months and had provided evidence of the fault, I asked First Response if it would be willing to carry out an independent inspection of the motorbike to assess whether any fault was present or developing at the point of sale. The onus being on the business to evidence the goods did conform to contract. It declined to do this. In response it said:

"the indicator was indisputably inspected as a part of that test, and it was working satisfactorily at that time. Our stance is that this issue has occurred post sale. The vehicle was checked on a number of occasions after this MOT, and the indicator was not highlighted as an issue at those points either. I'm not really sure what another report is going to tell us. It feels potentially an unnecessary cost to be presented with the same information again."

While the indicator was working at the time of the MOT, as I mentioned above it is a visible inspection and if the wiring wasn't visible the tester would not have been able to see the poor fittings behind the lights. It appears from G's statement that the indicators aren't secure or waterproof and have been badly fitted and wouldn't last long. While the vehicle has been in for exhaust repair and tuning that doesn't mean the indicators' wiring underneath the trim was inspected.

Where the evidence is incomplete, inconclusive or contradictory I reach my decision on the balance of probabilities - in other words what I consider is most likely to be the case considering the available evidence and the wider circumstances. Mr S had only had the bike a short time before he reported the indicator lights were a problem and given other parts on the bike were not genuine at the point of sale it's possible and I think very likely this was the case with the indicators. I also think that as the bike was only three and a half years old that I wouldn't expect the indicators to fail so soon, nor would it be reasonable to find the indicators had been poorly fitted without waterproofing, so I think they weren't reasonably durable.

Subject to any further information I might receive I'm persuaded the fault with the indicators was present or developing at the point of supply and/or the indicators weren't reasonably durable, so I don't believe the bike was of satisfactory quality.

We look at the vehicle as one item, rather than each component in the motorbike. So, the business doesn't get one chance to repair each different fault, simply one chance to repair the vehicle. I've looked at the account notes provided by First Response and I'm satisfied it considered the first fault with the motorbike as being present at the point of sale and so it was of unsatisfactory quality. It went on to repair this fault. So it has had a chance to repair the bike. Mr S has said he's lost confidence in the bike and would like to return it. Subject to further information I might receive I think it fair and reasonable that he be allowed to.

I think it fair that First Response should refund 50% of Mr S's repayments from April 2025 which is when First Response should have reasonably accepted rejection of the bike up until August 2025 as he has had some use of the motorbike. Mr S told this service he stopped using the bike and put it into storage from 5 August to ensure the bike has been kept in a dry environment until repaired or returned and I think it fair and reasonable First Response should refund payments and storage costs from this date.

Mr S has explained how he has lost confidence in the safety of the bike and he's been inconvenienced by the issues he's had with it so I think it fair and reasonable First Response pay him £200 in compensation."

Mr S accepted my provisional decision but confirmed the storage cost was a little higher than previously thought.

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.

As both parties have accepted my provisional conclusions I see no reason to depart from them.

First Response said it wasn't sure if it was fair to ask it to reimburse storage costs as it was the consumer's decision to arrange storage. But it nevertheless agreed to do so at the increased rate. I'm pleased that First Response has agreed to refund these costs.

Putting things right

To put things right First Response Finance Limited must:

- end the agreement with nothing further to pay
- collect the motorbike at no further cost to Mr S
- refund Mr S 50% of repayments from 3 April 2025 to 4 August 2025
- refund Mr S all payments from 5 August 2025 to the date of settlement
- refund Mr S storage costs from 5 August 2025 to date of settlement (£25 per month + VAT), subject to Mr S providing a receipt
- pay 8% simple yearly interest on all refunded amounts from the date of payment until the date of settlement
- pay Mr S £200 distress and inconvenience caused for having a faulty motorbike with two issues within months of ownership.

My final decision

My final decision is I uphold this complaint and First Response Finance Limited must put things right as set out above.

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

Maxine Sutton
Ombudsman