

The complaint

Miss C complains that a car that was supplied to her under a hire purchase agreement with Startline Motor Finance Limited wasn't of satisfactory quality.

What happened

I issued a provisional decision on this complaint earlier this month in which I described what had happened as follows:

"A used car was supplied to Miss C under a hire purchase agreement with Startline Motor Finance that she electronically signed in January 2025. The price of the car was £11,194, Miss C paid a deposit of £210.04 and she agreed to make 58 monthly payments of £308.87 and a final payment of £318.87 to Startline Motor Finance.

Miss C had some issues with the car and she complained to Startline Motor Finance about those issues in July 2025. It arranged for the car to be inspected by an independent expert later that month and then said that it didn't uphold her complaint. It said that the inspection had confirmed that the issues wouldn't have been present at the point of sale and there was no evidence to suggest that the current faults were present or developing then or the result of a failed repair, so it couldn't hold the dealer liable for the cost of repairs or pursue a potential rejection. Miss C wasn't satisfied with its response, so referred her complaint to this service.

Miss C's complaint was looked at by one of this service's investigators who, having considered everything, didn't think that Startline Motor Finance had acted fairly. He said that the car's diesel particulate filter had failed which suggested that it wasn't sufficiently reliable and couldn't be considered as reasonably durable. He thought that the car wasn't of satisfactory quality when supplied and repair was a reasonable option. He recommended that Startline Motor Finance should: pay for the repairs to the diesel particulate filter; refund Miss C from the date she stopped using the car to the point of settlement, for the invoice dated 6 June 2025 and for the collection and transport of the car, all with interest; pay £300 for any distress or inconvenience that's been caused; and remove any adverse information from Miss C's credit file in relation to the agreement.

Startline Motor Finance has provided a detailed response to the investigator's recommendation from the broker and has asked that the complaint is reviewed by an ombudsman. Miss C says that there are also issues with the car's turbo and exhaust gas recirculation, and that the repairs should be carried out by a main dealer. She says that she stopped driving the car shortly after the time of the independent inspection".

Provisional decision

I set out my provisional findings in that provisional decision. I said:

“Startline Motor Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Miss C. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Miss C was first registered in January 2017, so was about eight years old, Startline Motor Finance says that it had been driven for 59,200 miles and the price of the car was £11,194. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time, but exactly how long that time is will depend on a number of factors.

Miss C says that the car was supplied to her in February 2025 and the first issues began in March 2025 when the car started shuddering and entering limp mode, so she contacted the warranty company and was advised to seek a mechanic. She says that from March to July 2025 the car had two diesel particulate filter regenerations, a service, a new diesel particulate filter sensor and a new exhaust gas recirculation valve. She says that the issues persisted and she was advised to contact her finance company and reject the car due to its faulty condition and signs of previous extensive repairs.

Miss C hasn't provided invoices, or other evidence, of all of the work on the car, but she has provided a June 2025 invoice for a diesel particulate filter clean and pressure sensor and exhaust gas recirculation and she says that she paid £818.12 for that work. She complained to Startline Motor Finance about the car in July 2025 and it arranged for the car to be inspected by an independent expert later that month. The car's mileage at that time was 65,352 miles and the inspection report says:

“We can conclude that the DPF is significantly blocked. It is considered that the DPF will likely require replacement. It is also considered that various other components may now be compromised as a result of continued use. The defect is not considered to have been developing at inception”.

Miss C says that she stopped driving the car shortly after the time of the inspection, but she paid £70 each way for the car to be taken to a garage in October 2025 and she paid it £96 to investigate the issues with the car. It identified issues with the car including with its diesel particulate filter, exhaust gas recirculation, injector and turbo and it estimated that the repair cost would be £5,751.

The car passed an MOT test in September 2024, when its mileage was recorded as 59,272 miles. Startline Motor Finance says that the car's mileage when it was supplied to Miss S about five months later was 59,200 miles, but it hasn't provided evidence showing the car's mileage in February 2025. The car's mileage when it was inspected in July 2025 was 65,532 miles, so in about five months between the car being supplied to her and the inspection the car had been driven for less than 6,080 miles.

The inspection report says that the blocked diesel particulate filter wouldn't be considered to have been developing when the car was supplied to Miss C, but Miss C says that issues began in March 2025 when the car started shuddering and entering limp mode and that from March to July 2025 the car had two diesel particulate filter regenerations, a new diesel particulate filter sensor and a new exhaust gas recirculation valve. Although the car was about eight years old and had been driven for more than 59,272 miles when it was supplied to Miss C, I don't consider that it's fair or reasonable to expect a car to have so many issues within six months of being supplied. I've carefully considered all that Startline Motor Finance has said and provided about this complaint, including the broker's detailed response

to the investigator's recommendation, but I consider it to be more likely than not that the car wasn't of satisfactory quality when it was supplied to Miss C.

The investigator said that Startline Motor Finance should either organise the repairs or pay the repair invoice directly ensuring the car was of a satisfactory quality, and he recommended that it should pay for the repairs to the diesel particulate filter. The October 2025 invoice estimates the repair cost to be £5,751. As the price of the car when it was supplied to Miss C was £11,194, I don't consider that it's appropriate for repairs costing £5,751 to be carried out on the car. I consider that it would be fair and reasonable in these circumstances for Miss C to be allowed to reject the car and I find that it would be fair and reasonable for Startline Motor Finance to take the actions described below to put things right".

Subject to any further comments or evidence that I received from Miss C and Startline Motor Finance, my provisional decision was that I intended to uphold this complaint. Miss C has accepted my provisional decision but Startline Motor Finance has provided another response, which also looks to me to be from the broker, which says that it disagrees with my provisional findings and asks that I reconsider the position in light of the evidence and detailed response previously provided.

The response also says, in summary and amongst other things, that: the evidence supports that the car was supplied in February 2025, no complaint was made for over five months, multiple unauthorised repairs were undertaken, the car continued to be driven despite symptoms, progressive diesel particulate filter blockage developed, and an independent engineer concluded the defect was not present or developing at supply. It says that there's no independent expert evidence demonstrating an inherent fault at inception, and the independent inspection provides the only expert technical assessment and concludes the fault was progressive and post-sale.

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.

I had carefully considered all of the evidence that had been provided about this complaint, including the broker's response to the investigator's recommendation, in making my provisional decision. The response to my provisional decision asks that I reconsider the position in light of the evidence and detailed response previously provided, but no new evidence has been provided. I've carefully considered the response to my provisional decision, but I'm not persuaded that I should change the findings that I set out in my provisional decision and I consider that it would be fair and reasonable for Miss C to be allowed to reject the car.

Putting things right

I find that it would be fair and reasonable for Startline Motor Finance to end the hire purchase agreement and arrange for the car to be collected from Miss C, both at no cost to her. The hire purchase agreement shows that Miss C paid a deposit of £210.04 for the car. I find that it would also be fair and reasonable for Startline Motor Finance to refund to Miss C any deposit that she paid for the car, with interest.

Miss C was able to use the car from when it was supplied to her until she stopped using it shortly after it was inspected in July 2025, although the issues with the car will have caused her some loss of use and inconvenience. I find that it would be fair and reasonable for Startline Motor Finance to refund to Miss C the monthly payments that she's made under the hire purchase agreement for the period since the date of the inspection, with interest, but it can keep the payments that she made before then as payment for the use that she's had from the car.

The investigator recommended that Startline Motor Finance should reimburse Miss C for the repair costs totalling £818.12 that she paid in June 2025 and for £70 each way that she paid in October 2025 for the collection and transport of the car. Miss C also paid £96 for the issues with the car to be investigated in October 2025. That totals £1,054.12 and I find that it would be fair and reasonable for Startline Motor Finance to pay that amount to Miss C to reimburse her for those costs, and that it should also pay interest on those amounts.

These events have clearly caused distress and inconvenience for Miss C. I find that it would also be fair and reasonable for Startline Motor Finance to pay her £300 to compensate her for that distress and inconvenience. The investigator also said that Startline Motor Finance should remove any adverse information from Miss C's credit file in relation to the agreement. I've seen no evidence to show that Startline Motor Finance has reported any adverse information about the hire purchase agreement to the credit reference agencies but, if it has done so, I consider that it should ensure that the information is removed from Miss C's credit file.

My final decision

My decision is that I uphold Miss C's complaint and order Startline Motor Finance Limited to:

1. End the hire purchase agreement and arrange for the car to be collected from Miss C, both at no cost to her.
2. Refund to Miss C the deposit that she paid for the car.
3. Refund to Miss C the monthly payments that she's made under the hire purchase agreement for the period since the car was inspected by the independent expert in July 2025.
4. Pay £1,054.12 to Miss C to reimburse her for the costs that she's incurred.
5. Pay interest on the amounts at 2, 3 and 4 above at an annual rate of 8% simple from the date of each payment to the date of settlement.
6. Ensure that any adverse information about the hire purchase agreement that it's reported to the credit reference agencies is removed from Miss C's credit file.
7. Pay £300 to Miss C to compensate her for the distress and inconvenience that she's been caused.

HM Revenue & Customs requires Startline Motor Finance to deduct tax from the interest payment referred to above. Startline Motor Finance must give Miss C a certificate showing how much tax it's deducted if she asks it for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 17 March 2026.

Jarrold Hastings
Ombudsman