

The complaint

Miss K complains that a car she acquired under a finance agreement with STARTLINE MOTOR FINANCE LIMITED (Startline) wasn't of satisfactory quality.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimal formality.

Miss K acquired a car under a hire purchase agreement in June 2024; the car was almost nine years old and had done around 51,500 miles. The cash price was £7,834.

Soon after acquiring the car Miss K says, she experienced a fault with the vehicle. She said a drivetrain fault code appears when driving continuously for over twenty minutes, the car loses power and slows down. The vehicle was returned to the supplying dealership in October 2024 and June 2025. Notably in October 2024 and June 2025, whilst historic fault codes were stored, no mechanical fault could be replicated.

In June 2025 Miss K complained to Startline, in short, she said the vehicle experienced faults within months of her acquiring it and so she wanted to exercise her right to reject the car. Startline commissioned an independent inspection and based on its findings it didn't uphold Miss K's complaint. In summary it said the independent inspection placed no liability on the dealer, so it was unable to assist further.

The complaint was referred to this Service. Our Investigator considered things but didn't uphold the complaint for similar reasons. Both parties have had sight of these findings, so I won't repeat them in detail here. In summary he didn't think he could say the car was of unsatisfactory quality given that no fault had been found.

Miss K disagreed; amongst other things she said the drivetrain warning and loss of power occur intermittently and just because it didn't occur within the short period the car was tested is not the same as 'no fault'. She said the short road test didn't reflect real world driving conditions and the fault codes found have been dismissed.

As an agreement couldn't be reached the complaint 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 our Investigator and for broadly the same reasons. I know this will come as a disappointment to Miss K, but I will explain my reasons below.

First, I'm very aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what

I think are the key issues here.

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.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Miss K entered. Because Startline supplied the car under a higher purchase agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA says that the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Miss K's case the car was used and covered approximately 51,500 miles when she acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

As a starting point there would need to be some evidence of what the fault was. And secondly, that the fault renders the car of unsatisfactory quality at the point of supply.

It's not disputed that Miss K has experienced some issues with the vehicle, the car has been returned to the supplying dealership on more than one occasion. From the information I have, diagnostic tests were undertaken and each time fault codes were confirmed but no fault could be found.

The CRA 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 Startline can show otherwise. But, where the fault is identified after the first six months, the CRA implies that it's for Miss K to show it was present when the car was supplied.

Startline commissioned an independent inspection. I've seen a copy of the independent engineer's report for the inspection that took place on 1 September 2025. The engineer set out its opinion, notably it concluded:

- '1. The vehicle was free from operational defects during the road test, but the diagnostic scan confirms multiple engine-related and historic fault codes.*
- 2. No evidence was found of current power loss, warning lights, or safety-critical concerns during inspection.*
- 3. Given the time elapsed since purchase (over 12 months), it is not possible to state that these issues were developing at the point of sale. The vehicle also subsequently passed an MOT after the sale, confirming roadworthiness at that time.*
- 4. The immediate requirement is for the vehicle to undergo a full scheduled service at the owner's expense, followed by diagnostic code clearing and continued monitoring.*
- 5. Should drivetrain warnings reappear after servicing and fault clearance, further in-depth*

investigation (live data logging, VANOS solenoid checks, boost pressure system testing) will be required.

6. Considering mileage, age (10 years), and overdue service, deterioration and further faults must be anticipated. The vehicle's reliability cannot be guaranteed without proper servicing and repair investment.

7. Liability for repairs rests with the vehicle owner at this stage, as the sales agent cannot reasonably be held responsible after this time elapsed and the clear MOT pass post-sale.'

The report confirms that historic fault codes were present, but no fault could be found. I understand Miss K says the existence of 46 fault codes shouldn't be dismissed just because a fault cannot be replicated when the car has been in for an inspection or diagnostic check.

But I think it is important to clarify that fault codes are not, in themselves, confirmation of a mechanical defect. They are warning indicators logged by the vehicle's control modules when a parameter moves outside its normal operating range. In many cases these codes can be triggered by temporary conditions, rather than an inherent component failure. The engineer also confirms that the vehicle is overdue a routine service whereby fault codes would then need to be removed and retested. The report also confirms that the car passed an MOT whilst in Miss K's possession which confirms the car was roadworthy after Miss K took possession of it.

The independent inspection is, in my opinion, the most persuasive piece of evidence in this case. It was a physical inspection of the car by a qualified motor technician. The findings are supported by clear mechanical reasoning and inspection results. I'm satisfied the report is reasonable to rely on given that the engineer confirms its duty is to the court and not to the party that commissioned the report.

I've considered Miss K's comments and concerns about the independent inspection. The instruction of an independent inspection is what's required of Startline in these circumstances. Miss K says the CRA test has been misapplied but I don't agree.

As I set out above, because the issues complained about occurred within the first six months it's for Startline to prove they were not present or developing at the point of supply. In my view it has done this by way of an independent inspection. For reasons I've explained I think the report is persuasive and a robust piece of evidence. So, on this basis I'm satisfied that the car supplied was of satisfactory quality.

I've not seen any evidence that persuades me that the third-party report completed in September 2025 was incorrect, and I'm persuaded by its conclusions that no faults could be found with Miss K's vehicle.

It follows I'm unable to say that there's enough evidence to show that there was a fault with the car. So, I can't say the car was of unsatisfactory quality at the point of supply.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 21 April 2026.

Rajvinder Pnaiser

Ombudsman