

The complaint

Mr K complains that a car that was supplied to him under a finance agreement with CA Auto Finance UK Limited wasn't of satisfactory quality.

What happened

A used car was supplied to Mr K under a finance agreement with CA Auto Finance that he signed in January 2024. The price of the car was £13,880 and Mr K agreed to make 48 monthly payments of £288.48 and a final payment of £5,349 to CA Auto Finance. Mr K complained to CA Auto Finance about some issues with the car in May 2024.

CA Auto Finance said that the dealer had agreed to approve a quotation for repairs to the car and it offered to refund one monthly payment of £288.48 to Mr K for the stress and inconvenience caused. The car was then repaired by a manufacturer's dealer, at no cost to Mr K, but it had further engine issues in March 2025. The car was inspected by the manufacturer's dealer in April 2025 and it said that a new engine was required.

Mr K contacted the dealer and CA Auto Finance about the issues with the car and he then complained to this service in May 2025. Mr K's complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that she wasn't able to say the car was of unsatisfactory quality when it was supplied or ask CA Auto Finance to do anything more to resolve his complaint.

Mr K provided a detailed response to the investigator's recommendation and an assessment by the manufacturer's dealer of the faults identified, based on the condition observed at the time of inspection. The investigator then said that she couldn't fairly say the issues were the result of the car's quality at the point of supply, so she wasn't able to say the car was of unsatisfactory quality.

Mr K says that he disagrees with the investigator's recommendations and would like his complaint to be referred to an ombudsman for a final decision. He says, in summary and amongst other things, that: at no point did he delay or fail to present the car for servicing; he stopped driving the car as soon as he became aware of the problem; the car suffered two major engine failures that strongly suggest an inherent fault or underlying issue present at the point of sale; he's being expected to pay approximately £10,000 in relation to a car whose current valuation is significantly lower than that figure; it's not fair or reasonable for him to bear financial responsibility for a car that has demonstrated a clear lack of durability; he believes that the car may not have been properly inspected prior to sale; and this situation has caused considerable stress and financial strain. He has requested that an ombudsman considers whether CA Auto Finance has proven that the defects weren't present or developing at supply and whether, on the balance of probabilities, the car met the standard of satisfactory quality.

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.

CA Auto Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr K. 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 Mr K was first registered in April 2019, so was nearly five years old, the invoice shows that it had been driven for 42,604 miles and the price of the car was £13,880. 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.

The car was supplied to Mr K in January 2024 and it passed an MOT test, with no advisories, in February 2024 when its mileage was recorded as 42,607 miles. A garage diagnosed a faulty oil pump that was causing damage to the timing chain in April 2024 and the car's mileage at that time was 45,959 miles. The car was then repaired by the manufacturer's dealer, at no cost to Mr K, and CA Auto Finance offered to refund one monthly payment of £288.48 to Mr K for the stress and inconvenience caused.

The car passed an MOT test, with no advisories, in January 2025 and its mileage was recorded as 56,134 miles. The car had further engine issues in March 2025 and it was inspected by the manufacturer's dealer in April 2025. The car's mileage at that time was 58,028 miles and the manufacturer's dealer said that a new engine was required. In response to the investigator's recommendation, Mr K provided an assessment by the manufacturer's dealer of the faults identified, based on the condition observed at the time of inspection. It says:

"In summary, the engine failure is consistent with severe internal mechanical damage resulting from oil starvation and overheating, leading to piston and cylinder bore failure, misfire, and loss of compression. The damage observed would necessitate full engine replacement. However, based on the evidence available, we are unable to definitively attribute causation to a specific event, service action, or point in time".

It's clear that there were faults with the car in April 2024, but they were repaired by the dealer. The car passed an MOT test in January 2025 and the car was driven for more than 12,000 miles between those repairs being completed and the March 2025 engine issues. I'm not persuaded that those engine issues are sufficiently related to the faulty oil pump and the timing chain damage that was diagnosed in April 2024 to show that the repairs had failed. If the March 2025 engine issues had been present or developing when the car was supplied to Mr K, I don't consider that he'd have been able to use it for fourteen months and for it to have been driven for more than 15,000 miles. As the March 2025 engine issues occurred more than six months after the car was supplied to him, I consider that it would be for Mr K to show that those issues were present or developing when the car was supplied to him. I don't consider that he's done so.

I've carefully considered all that Mr K has said and provided about his complaint, including his responses to the investigator's recommendations and the manufacturer's dealer's assessment of the faults, but I'm not persuaded that there's enough evidence to show that the current faults with the car were present when the car was supplied to Mr K or that they caused it not to have been of satisfactory quality at that time. I appreciate that my decision will be disappointing for Mr K, but I find that it wouldn't be fair or reasonable in these circumstances for me to require CA Auto Finance to allow him to reject the car, to pay for it to be repaired or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 19 May 2026.

Jarrold Hastings
Ombudsman