

The complaint

Mr C has complained that a car provided on finance by Admiral Financial Services Limited was not of satisfactory quality when it was supplied.

What happened

Both Mr C and Admiral are familiar with the events of this complaint, so I'll briefly summarise them here. Admiral supplied Mr C with a used car on a hire purchase agreement in October 2024. The cash price of the car was around £15,470 and it had covered around 79,900 miles since first registration in March 2017. The hire purchase agreement required payments of around £325 for 59 months.

Mr C said that the car was vibrating and "crabbing" which he'd noticed during a test drive and had been told would be resolved during the pre-delivery inspection. He said the transaction control light and drivetrain warning light were illuminated and the car felt "loose". Shortly after taking possession, he contacted the selling dealer who arranged for repairs to be completed at a third-party garage. He said that the car went back and forth four times for repairs, but he hadn't received any job cards to show what had been completed.

Mr C said that the issues still remained, the car was vibrating and the steering felt loose. He decided to get the car inspected himself. Mr C said that the inspection showed that the wheel bearings had not been repaired and the suspension lower control arms needed to be replaced. He said he incurred costs of around £1,800 to diagnose and attempt to resolve the issues with the car.

In January 2025 Mr C made a complaint to Admiral that the car wasn't of satisfactory quality and asked for a refund of the repair costs and out of pocket expenses he incurred.

Admiral said that initial repairs were carried out to resolve the vibration and traction light, and it accepted these were present or developing when the car was supplied. It said that repairs were a fair remedy and paid £250 for the distress, inconvenience and loss of enjoyment. But it said that there wasn't sufficient evidence to link later repairs to the initial repairs and considering it had recently passed an MOT it declined to offer a refund for those costs. It issued its final response on this basis in February 2025.

Mr C referred his complaint to our service, and an investigator here reviewed the complaint. He thought that the car wasn't of satisfactory quality when it was supplied. He said that there had already been an opportunity to repair so other remedies were open to Mr C. As repairs had been carried out, he recommended that Admiral reimburse Mr C for the cost of repairs, with simple interest. He also recommended Admiral pay £250 for supplying a car that was not of satisfactory quality.

Mr C agreed with the investigator's recommendations. But Admiral did not. In summary it said:

- It did not agree to pay the additional costs of £1446.02, but it maintained its offer of £250 for the initial faults.
- The supplying dealer carried out repairs at no cost to the consumer. It would have

expected Mr C to return the car for further investigation, but he chose to replace tyres with no investigation carried out to determine if or why they needed replacing. Mr C had taken the car to a third party and authorised repairs with no authorisation from it. So, it had not been given an opportunity to determine if the parts replaced were faulty or unfit for purpose.

- An MOT was completed one month prior to sale which passed with no advisories.
- Had there been concerns with the tyres, the suspension or the wheel bearing that deemed the car not road legal these would have been picked up at that time and noted as a failure or an advisory.

As an agreement couldn't be reached the complaint was passed to me to make a decision.

I issued a provisional decision which said:

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules including Consumer Duty, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

I've read and considered the evidence submitted by both Mr C and Admiral, but I'll comment on what I believe is most relevant. If I don't comment on a specific issue, it isn't because I haven't considered it, but because I've decided that I don't need to do so to provide a fair outcome. This is not intended as a discourtesy but is the informal way that our service works to resolve disputes.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I provide my decision on the balance of probabilities – meaning, I consider what is most likely to have happened taking into consideration the available evidence and all the circumstances.

I need to explain that we're somewhat reliant on the information and evidence placed before us. My role is to look at how Admiral handled the claim, rather than looking at the actions of the selling dealer, and I can't marshal evidence or sworn testimony in the way that a court can.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Admiral is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) is of particular relevance to this complaint. It says, amongst other things, that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory."

The CRA says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into consideration any description of the goods, the price and all the other relevant circumstances. In a case involving a car, the other relevant circumstances might include things like the age and mileage at the time of supply and the car's history.

The CRA says the quality of the goods includes their general state and condition and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

The CRA also explains that "every contract to supply goods by description is to be treated as including a term that the goods will match the description". The CRA also explains the

remedies available if the goods don't conform to the contract.

When Mr C acquired the car in October 2024 the mileage was around 79,900 and the cash price was around £15,470. The car was first registered in March 2017, so when Mr C acquired it, the car was seven and a half years old. It wouldn't be unreasonable to expect the car to have some wear and tear, and that might include the underlying components. There would be very different expectations of it if it was a brand-new car. The price paid usually depends on the age and condition of the car. Acquiring a used car carries some inherent risks, not least of which is that sooner or later items, or components of the car, will need repair or replacement.

When something goes wrong with a car it isn't automatically something that the finance provider is responsible for. Sometimes the underlying components of a car suffer wear and tear which might mean that they come to the end of their serviceable lifespan during the course of a finance agreement.

Mr C indicated that car was vibrating and "crabbing" before he entered into the agreement. This is important to note because there seems to have been an agreement that the problem would be fixed, which might mean that formed part of the agreed contract. And the fix didn't happen within a reasonable amount of time.

If Mr C was aware of the fault before he took delivery of the car, the repair of the fault would be considered an express term of the contract. When the repair wasn't carried out within a reasonable amount of time (if not specified) that could be the breach of contract. If Mr C wasn't aware of the fault until he had taken delivery, the fault would likely be considered a fault that makes the car of unsatisfactory quality because the car came with a defect. But I think I can still deal with the complaint even with the uncertainty.

The CRA explains that goods which do not conform to the contract at any time within the period of six months, beginning with the day on which the goods were delivered to the consumer, must be taken not to have conformed to it on that day. Unless it's established the goods did conform to the contract on that day or that the application is incompatible with the nature of the goods or with how they fail to conform to the contract.

In this case, as the goods, in what I've seen, did not conform to the implied term of satisfactory quality, Mr C was entitled to ask Admiral to repair them. Mr C returned the car to the selling dealer and repairs were carried out. I've not seen any evidence of what was repaired, but Mr C has said that warning lights were present on the car which included the traction control light and the drivetrain warning light. Mr C maintained that the symptoms he was experiencing of vibration and steering problems were not fixed, after the repairs. So, while I think it is accepted that the car wasn't of satisfactory quality when it was supplied, a repair has been carried out which should have made the car conform to the contract. I don't think Mr C's actions in contacting the selling dealer initially have prejudiced Admiral's position. I find it likely that it would have directed Mr C back to the selling dealer in the first instance.

But Mr C asserts that the repairs failed. He decided to get his own inspection and then paid for repairs to be carried out by a third party.

I can understand Mr C is disappointed the car had such problems, that weren't cheap or easy to rectify. He'd had the car for around three months before he told Admiral about the repairs that he'd already paid for. But what I have to bear in mind is that just because I've seen there were repairs that he paid for, this doesn't necessarily mean that there had been a failed repair or that repairs were necessary because the car wasn't of satisfactory quality when it was supplied.

Although Admiral was the supplier of the car under the agreement, it was not aware that Mr C was experiencing any issues until he contacted it in January 2025. Admiral is not responsible for the actions of the selling dealer in this case. Considering the description of the faults and the repairs that had been paid for, the time that had elapsed since supply, and the mileage covered while the car was in Mr C's possession, I don't think it was unreasonable for Admiral to expect to see more evidence that the repairs carried out had failed.

The issues he experienced could be due to damage sustained during Mr C's possession of the car, or reasonably expected wear and tear, which wouldn't be Admiral's responsibility. Or it could point to a defect that was present at the point of supply, or a failed repair.

I appreciate that our investigator had his own opinion. But I've not seen sufficient evidence to clearly say those repairs were needed because the car was not of satisfactory quality. I've considered Mr C's testimony and the invoices he supplied to Admiral carefully.

Mr C has been able to show that the drivetrain warning light was still illuminated around 8 December 2024. He's also shown that he bought parts and paid the third party to fit them. He's also paid for wheel bearings that the third party described as "noisy" to be replaced. The third party said that the suspension front lower arm bushes were deteriorated so they were replaced, and the wheel bearings were rough to turn and would even have tight and loose spots. It said that once those were replaced the steering feel issue was resolved but tyres now had uneven wear, so replacements were recommended.

I appreciate that Mr C decided to get his own inspection, and I understand that his relationship and patience with the selling dealer may have broken down by this point. The mechanic had been paid to carry out repairs, so it isn't totally independent. In my view this means it is less persuasive, and the report doesn't give enough detail about whether there was a failed repair, whether parts had failed prematurely or whether the faults were commensurate with the age, price, and mileage of the car. Although the drivetrain warning light was illuminated on 8 December 2024, this is before Mr C returned the car for some of the initial repairs. I've not seen that Admiral was provided any evidence that the traction control light or drivetrain warning were still illuminated and that was why his third party carried out further repairs, the invoice describes the fault codes as historic. The evidence from the third party doesn't go far enough for me to clearly determine that the repairs Mr C paid for were needed because the car wasn't of satisfactory quality.

I accept it is possible that those repairs were because earlier repairs had failed to fix the issue Mr C reported, but as repairs were carried out before Admiral were made aware, we don't now have any way of establishing what was wrong which meant they were needed. By the end of December 2024, the mileage was around 82,900, which meant Mr C had been able to cover around 3,000 miles since the car was supplied. It's possible that some repairs might have been preferable to improve the performance of the car, but that doesn't mean those repairs made it of unsatisfactory quality when it was supplied considering its age, price, and mileage.

I'm not saying something definitely didn't go wrong, merely that I don't think it was unreasonable for Admiral to have expected there to be more detailed supporting evidence for the faults and confirming that they were present or developing at the point of supply, there was a failed repair or that the car wasn't sufficiently durable. It's not possible for me to say now with the evidence I've been provided, even on the balance of probabilities, that there was an inherent fault, a failed repair, or that the car wasn't sufficiently durable.

Once Mr C had the car returned after the initial repairs, it's possible that he could have

demonstrated the car wasn't conforming to the contract he'd entered at the point of supply, or that a repair had failed. But Mr C didn't contact Admiral until January 2025, which was after he'd already carried out repairs, and by then it had lost the opportunity to prove otherwise. Ordinarily, Admiral could have arranged for an independent inspection of the car to take place, or it could have made arrangements with the selling dealer, to help determine when the faults may have arisen and establish liability. But by having the car repaired before notifying Admiral of his concerns, Mr C has deprived it of the opportunity to have the car inspected with some of the faults present, and it has also deprived it of the opportunity to get some repairs done at a reduced or no cost by the selling dealer. Considering Admiral were the owner of the car it might also have considered other remedies available under the CRA. I also appreciate that Mr C might not have been fully aware of his rights, but that doesn't mean I can direct Admiral to do something when it wasn't aware of the issues he was experiencing.

I appreciate Mr C is unhappy he's paid a significant amount for repairs to the car. I'm sorry to disappoint Mr C, but without sufficient evidence of faults which made the car of unsatisfactory quality or sufficient evidence of a failed repair, I find I don't have the grounds to direct Admiral to cover the cost of repairs.

However, as it is accepted that some initial repairs were necessary it was reasonable for Admiral to offer £250 for the distress and inconvenience caused by supplying a car that was not of satisfactory quality. I consider it already made a fair offer to settle the complaint, and I don't yet find I have grounds to direct it to do more.

Mr C doesn't need to accept my decision, and he'll be free to pursue the complaint by other means, such as through the court, after obtaining legal advice, as necessary.

Admiral didn't respond to the provisional decision. Mr C disagreed and in summary he said:

- He was told that all warranty work should be directed to the selling dealer.
- The car was not roadworthy on collection and after multiple visits the underlying issues making the car unsafe were still present.
- The tracker showed the car hadn't moved when it was being repaired.
- The selling dealer recommended he approach Admiral, and he said Admiral tried to get him to work with the selling dealer.
- His independent inspection confirmed the faults and showed the underlying issue hadn't been fixed. Repairs were completed on recommendation of the mechanic, and he wouldn't have spent money on equipment if the car were fine.
- He had the physical parts showing the damaged bushes and worn wheel bearing along with diagnostic scans showing historic fault codes relating to drivetrain malfunctions.
- It was clearly a case of selling a car and not fixing the problem, trying to pass off a customer and not deal with the complaints.
- He contacted Admiral within two months, and it said it would only step in once the dealer had failed to resolve the situation. Admiral was contacted prior to moving forward with an independent diagnosis and subsequent repair.

Our investigator reminded Mr C that I would consider any further contemporaneous evidence and evidence of contact with Admiral before the deadline. No further responses were received so I'll now go on to make my final decision.

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'd like to thank Mr C for responding to my provisional decision and the comments he's provided which I've summarised here. I understand he's disappointed by my findings, and I'm sympathetic to his position. But despite my natural sympathy I must remain impartial when considering this complaint. I can assure him that I've carefully taken into consideration all the information and evidence he's provided along with that provided by Admiral. Having considered Mr C's response, I don't consider he has provided any new information or evidence that would change my overall outcome. In this decision, I've tried to concisely explain why the additional comments I've received since I issued my provisional decision haven't changed my mind.

As I explained in my provisional decision, I think it is likely that the car didn't conform to the contract when it was supplied. But the difficulty is that there's not enough evidence to link the repairs Mr C paid for with earlier repairs. I can understand that Mr C followed the recommendations of his mechanic. But I haven't seen evidence that Admiral was aware before he authorised those repairs. Mr C responded to say he did notify Admiral, but I can only see that he contacted it in January 2025 after the repairs had already been carried out, which means it was deprived of the opportunity to inspect the car with those faults still present. I've not been provided with anything further since my provisional decision to change my mind, and I'm reliant on the evidence provided. I don't have the power to interrogate some of the physical evidence as has been suggested.

In this case, unfortunately for Mr C, I don't find I have sufficient evidence to say those repairs were required due to failed repairs, and although I can understand he might not have been aware of his rights I find I don't have grounds to direct Admiral to do anything further.

As I haven't been provided with any further information to change my decision, I still consider my findings to be fair and reasonable in the circumstances.

My final decision is the same for the reasons set out in my provisional decision and above.

As I remind, Mr C doesn't need to accept my decision and then he'll be free to pursue the matter by other means such as through the courts, after getting legal advice, as necessary. If Mr C decides to reject the decision neither party will be bound by it, but he can still contact Admiral to check if its offer is still available.

My final decision

My final decision is that Admiral Financial Services Limited have already made a fair offer of £250 to settle this complaint, so I direct it to pay this to Mr C to the extent that it hasn't done so already. I make no further directions or awards.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 May 2026.

Caroline Kirby
Ombudsman