

## **The complaint**

Ms H complains that the car she acquired through STARTLINE MOTOR FINANCE LIMITED (“SMFL”) wasn’t of satisfactory quality. She wants SMFL to cancel the credit agreement and accept the rejection of the car.

## **What happened**

Ms H entered into a hire purchase agreement in December 2024 to acquire a used car. The cash price of the car was £9,424, and the total amount repayable was £14,322.48, and was to be repaid through the credit agreement which was set up over a 56-month term with monthly rentals of £255.58. At the time of acquisition, the car had already been driven more than 85,000 miles and was eight years old.

Ms H told us:

- The car has broken down many times since shortly after its supply;
- in March 2025 she complained to SMFL and told it she wanted to return the car and the end the credit agreement;
- SMFL arranged for the car to be inspected, and it concluded that there was nothing wrong with the car;
- she then experienced the same problems with the car again a short time later, but SMFL told her she’d need to get some evidence of the problem;
- one morning, some time later, the car simply wouldn’t start. Ms H says she called out a well-known roadside recovery firm, and it told her that there was definitely a problem with the car and it should be returned to the supplying dealership;
- she reported this to SMFL, but it wouldn’t accept the information as evidence of a fault, and it again told her she’d need to pay for an independent inspection;
- she has a car that is unsafe and that she can’t use and she wants to return it to SMFL and have the credit agreement cancelled.

SMFL rejected this complaint. It said that Ms H contacted it in July 2025 – more than six months after the inception of the credit agreement – to raise a complaint about persistent faults with the car that she said she’d experienced since the car was supplied.

SMFL said it had arranged for an independent inspection which found that it wasn’t liable for the problems Ms H was experiencing – it said the car was free of faults. SMFL said it had given Ms H contact details for two vehicle inspection companies in the event that she wished to commission her own independent inspection, but to date she’d provided it with no further information or evidence. SMFL acknowledged that Ms H had reported some issues to the supplying dealership very early on, but it noted that these had been addressed at the time and at no cost to Ms H.

Our Investigator looked at this complaint and said she thought it should be upheld, and she recommended SMFL accept the rejection of the car. She said there’d clearly been things wrong with the car, and she concluded that in view of how soon after supply these had arisen, together with the fact that the roadside recovery business had to be called out on two

occasions, it was likely that the car likely wasn't of satisfactory quality when it was acquired by Ms H, and that those early repairs had been unsuccessful.

SMFL disagreed so the complaint came to me to decide. It highlighted the conclusions of the independent inspector and said that there was simply no evidence of current faults that were present or developing when the car was supplied, or any evidence that the earlier repairs Ms H had arranged, had now failed.

My initial conclusions are set out in my provisional decision which I issued earlier this month. In it I said I didn't think Ms H's complaint should be upheld, and I explained my reasoning as follows:

*"As the hire purchase agreement entered into by Ms H is a regulated consumer credit agreement this Service is able to consider complaints relating to it. SMFL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.*

*Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.*

*The relevant law also says that 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 can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car supplied to Ms H was of satisfactory quality or not.*

*The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless SMFL can show otherwise. But if the fault is identified after the first six months, then it's for Ms H to show the fault was present when she first acquired the car. So, if I thought the car was faulty when Ms H took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask SMFL to put this right.*

*I don't think there's any dispute that Ms H has experienced problems with the car, and I've noted that the supplying dealership carried out repairs and replaced a component at no cost to Ms H. So what I need to decide is whether, or not, the current fault complained of was present or developing at the point the car was supplied. And whether, or not, the current fault complained of is a result of previous repairs that have now failed.*

*The single most compelling piece of evidence here is the report from the independent engineer. I've looked carefully at the other documents Ms H sent to this Service, but I don't find them to be as persuasive. The independent engineer is appropriately qualified to assess vehicles and compile a report of findings, and they conducted a physical examination of the car and completed a road test.*

*In their report, the engineer said the following:*

*"Customer reported:*

- Alternator faults and non-starting*
- Cloudy grey exhaust smoke*
- Battery and DPF-related concerns*

- *Prior repair attempts had been made by the dealer*

*Vehicle returned to the dealership in February 2025 for injector replacement. EML re-illuminated and vehicle again failed to start. A third-party repairer was involved in diagnosing and resolving battery / voltage-related faults.*

*Customer alleges unresolved faults, is concerned about the DPF, and wishes to determine if issues remain, if repairs were effective, and whether there is any customer-related cause”.*

*So, I’m satisfied that the independent inspector was given a detailed background about what needed examining, and what the current reported issues were.*

*The engineer reported that:*

- *“Vehicle started from cold without issue, no smoke was observed”.*
- *“Road Test:*
  - *Carried out on A and B roads up to legal speed limit.*
  - *Vehicle performed normally with no loss of power or warning lights during the test”.*
- *“No evidence of active mechanical or electrical faults was found during the inspection”.*

*And the engineer concluded that there was “no evidence of active mechanical or electrical faults” found during the inspection.*

*The engineer’s formal conclusions were recorded as follows:*

- *“Our opinion, being based on a physical assessment, written and verbal information supplied, observations made by the engineer and our previous experience”.*
- *“Alternator and battery systems are working within specification”.*
- *“No fault codes relating to DPF or alternator were present at the time of inspection”.*
- *“Vehicle showed no abnormal exhaust emissions, starting issues, or running faults”.*
- *“No DPF fault codes were stored”.*
- *“Smoke/heat noted previously by the customer may have been related to a normal regeneration process”.*
- *“There is no mechanical failure found at the time of this inspection”.*
- *“Repairs previously performed appear effective and no longer contributing to current operation”.*

*So, on the basis that no mechanical fault was identified, and I’ve seen nothing to suggest that the previous repairs have now failed, I simply can’t uphold this complaint.*

*Moreover, the engineer makes no cautionary statements about the conclusions reached, or that a different conclusion may have been reached with additional information. The instruction of an independent inspection is what’s required and expected of SMFL in these circumstances. And in the absence of any other persuasive and independent evidence to the contrary, I’m not currently persuaded that Ms H’s car should be rejected or that her credit agreement should be cancelled”*

*I asked each party to let me have further information, that I’d not already seen, that they’d like me to consider.*

*I’ve received no further submissions from SMFL.*

Ms H says she feels she's being penalised for the fact that the supplying dealership wouldn't take the car back and made out that there was nothing wrong with it.

### **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 thank Ms H for her comments, and I've considered them alongside all the evidence and arguments previously submitted by both parties. Although I understand her disappointment with the outcome of her complaint, Ms H hasn't raised anything new for me to consider or comment on.

Having considered all of the evidence again, I have reached the same conclusions as set out in my provisional decision and for the same reasons.

### **My final decision**

My final decision is that I do not uphold this complaint.

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

Andrew Macnamara  
**Ombudsman**