

complaint

Mr Z has complained about the quality of a car he acquired on finance through Toyota Financial Services (UK) Plc.

background

Mr Z entered into a finance agreement with Toyota Financial Services for a car. But he's explained there were a number of faults with it, one of which is ongoing. He's like the car to be replaced or repaired. He'd also like to be compensated for loss of earnings for the time he was unable to use the car for work.

Toyota Financial Services didn't agree to this, but has since offered Mr Z £100 for his having to drive to the dealership and wait for repairs to be carried out.

Our adjudicator felt the offer of £100 was fair. She didn't feel Toyota Financial Services should be asked to do more. This was mainly because of the significant mileage Mr Z had built up, and she thought any remaining issues were likely down to wear and tear.

Mr Z disagreed, and said he'd had to go to the dealership a large number of times.

The complaint's now been passed to me for my final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

When the finance agreement was entered into in August 2015, the car had done 40,300 miles, and was five years old. Mr Z's agreement said he could exchange the car within 30 days if he was unhappy with it, provided it had done fewer than 500 miles since he'd had it. As he'd covered over 2,000 miles by then, he wasn't able to exchange the car. I think this was reasonable.

That said, I can see that repairs were carried out for three days in November and December. But Mr Z says there's still a problem with blue smoke. On balance, this seems likely to be an issue with the diesel particulate filter (DPF). This can happen when a car is stopped and started a lot, and used for short journeys – as would likely have been the case here, given that Mr Z was using it as a taxi. I note that this was contrary to the terms and conditions of his finance agreement. Had he told the dealership he was actually using the car as a taxi, it would likely have advised a different car. But Mr Z didn't disclose this information. Because of this, I think it unfair to hold Toyota Financial Services responsible for an issue which has likely arisen because of Mr Z's use of the car as a taxi.

I also note that Mr Z has been using the car significantly, and it has accrued over double the average of 1,000 miles a month. This also supports the argument that the problem Mr Z is experiencing is down to wear and tear. This means I don't think it fair that the car be further repaired or replaced.

As I don't think Toyota Financial Services is responsible for the problem, and that Mr Z shouldn't have been using the car as a taxi, I don't agree that it should compensate him for the loss of earnings he'd have made as a taxi driver. This also means it shouldn't have to

compensate him for his trips to take the car back, because it was being taken back because of issues that weren't its fault.

I note that section 4.8 of the agreement clearly states that the goods must not be used 'for any purpose other than domestic purposes or such purpose notified to us when you entered into this agreement which could affect the value of the goods'. As explained above, Mr Z didn't say he'd be using the car as a taxi.

I turn now to Toyota Financial Services' agreement to pay Mr Z £100 for his wait while repairs were carried out. I think this is fair. This relates to repairs that Toyota Financial Services did agree to carry out. As Mr Z had to take the car in, and there was a wait, £100 seems reasonable for this.

my final decision

For the reasons given above, it's my final decision that Toyota Financial Services (UK) Plc pay Mr Z £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 11 April 2016.

Elsbeth Wood
ombudsman