

## **complaint**

Mrs M and Mr K complain that the vehicle they acquired on a hire purchase agreement financed by Blue Motor Finance Ltd was not of satisfactory quality. They want to end the agreement and reject the vehicle.

## **background**

As Mrs M has been the main correspondent, for ease of reading, I'll mostly refer to her.

Mrs M tells us she acquired the vehicle in September 2017 from a dealer I'll call "B". She said she's had problems with the vehicle from the time she took possession of it. She said she'd had the vehicle examined in November 2017 and various faults had been identified. These included poor repairs, damage to a radiator and grille, issues with the paintwork and it appeared that the vehicle may have been involved in a serious accident.

Mrs M told us she'd later arranged for an independent vehicle examiner, a company I'll refer to as "A", to inspect the vehicle. She that it had found numerous faults with the vehicle during this inspection. She says she wasn't told about these issues at the time she obtained the vehicle.

BMF told us that Mrs M had accepted a price reduction of £800 at the time she acquired the vehicle. It said that as she'd accepted the vehicle - with parts missing - and had received a price reduction, she couldn't now reject the vehicle.

Our adjudicator did not recommend the complaint should be upheld. She said that Mrs M had accepted the vehicle with parts missing and had signed a letter to say she accepted the condition of the vehicle at the point of supply. She said that Mrs M had taken photos of the vehicle at this time and that the issues now complained of were visible. She said Mrs M had negotiated a price reduction and if she was unhappy about the quality of the bodywork she would've expected her to raise any concerns sooner.

Mrs M didn't agree with this outcome and said she wanted to take the matter further. As it's not been possible to resolve this complaint an ombudsman has been asked to make the 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.

I'm sorry that Mrs M is unhappy with the vehicle and that she's experienced various problems with it. Unfortunately, things sometimes go wrong and that's all the more likely to affect a used vehicle - such as this one - which has had above average use.

Mrs M's hire purchase agreement is a regulated consumer credit agreement and our service is able to consider complaints relating to it. BMF supplied the vehicle and it's therefore responsible for a complaint about the quality of the vehicle. Whilst I don't apply the law - directly - I do take it into account. And relevant law here includes the Consumer Rights Act of 2015 (CRA).

I can see from the MOT history that the vehicle was about four years old and had a recorded mileage of 58,564 when supplied to Mrs M. It's also clear that it was known to Mrs M that the vehicle was being supplied with various defects. She's signed a letter to this effect:

*"I understand that I am purchasing vehicle with several parts missing. I accept the discount of £800 to compensate for all missing parts. We have taken photos of the car and can confirm I am satisfied with the outcome."*

I've also seen a copy of the vehicle inspection report which was compiled by A. The vehicle was examined in May 2018 and by then had a recorded mileage of 65,935. A found numerous faults with the vehicle but no evidence of any serious accident damage. It stated:

*"We would conclude that the vehicle has had extensive previous repairs, although no evidence of significant structural repair was noted. With the exception of a dent in the nearside rear door which appeared of recent origin, and the blistering on the window mouldings which would be considered generally age related, the conditions appear to all have been due to repairs of longstanding nature. The windscreen has been replaced with an incorrect specification screen which has no heated element.*

*However, it appears the vehicle has covered 7281 miles and from an engineering perspective what might have developed in this time is open to debate, particularly earlier on in that time. The owner will need to provide the evidence verbal or otherwise that no work has been completed in that time and if confirmed the issues will have been developing at sale."*

It's been confirmed that B hasn't repaired the vehicle and I've no other information that the vehicle has been repaired elsewhere. I also note that the vehicle passed an MOT test in September 2018, after an initial failure. But the failure was due to defective tyres and a registration light not working. No other major defects were noted. The mileage at this time was recorded as 69,419.

I've previously referred to the CRA and a section of particular relevance is:

*s. 9 Goods to be of satisfactory quality*

*(1) Every contract to supply goods is to be treated as including a term that the quality of the goods is satisfactory.*

*(4) The term mentioned in subsection (1) does not cover anything which makes the quality of the goods unsatisfactory—*

*(a) which is specifically drawn to the consumer's attention before the contract is made,*

*(b) where the consumer examines the goods before the contract is made, which that examination ought to reveal.*

The information with which I've been provided shows specific information about missing parts was drawn to Mrs M's attention. A price reduction was applied. And Mrs M took photographs of the vehicle's outward condition. The majority of the complaint she now brings relates to faults with the bodywork alignment and paintwork.

I'd expect faults with any misalignment of bodywork panels and doors to be readily visible at the point of supply if they were present at that time. And the same comment would apply to any issues with the paintwork. So I think it's probable Mrs M knew, or ought reasonably to have known, of these issues when she acquired the vehicle. And she certainly was made aware of some of the points now raised after the November 2017 examination. So I'd expect she would've brought the complaint to BMF at or near that time. I must also take into account that the vehicle - despite these issues - has covered over 10,000 in the year after supply and passed an MOT test in September 2018.

In summary, I don't think it would be fair and reasonable to say this vehicle was not of satisfactory quality when supplied. The faults which *might* otherwise have made the vehicle not of satisfactory quality were either brought to Mrs M's attention or would have been visible at the point of supply. And she went ahead and entered the agreement with this knowledge. The vehicle has covered substantial mileage since and this also supports the view that there was nothing else of significance wrong with it when it was acquired by Mrs M.

I'm sorry my decision will come as a disappointment to Mrs M and Mr K but I'm not upholding this complaint.

**my final decision**

For the reasons given above my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr K to accept or reject my decision before 4 October 2019.

Stephen D. Ross  
**ombudsman**