

complaint

Miss A complains that the car she acquired through a hire purchase agreement (HPA) with Mercedes-Benz Financial Services UK Limited (the business) was not of satisfactory quality.

background

Miss A entered into a three year HPA with business in October 2014 to acquire a used car. She says that she experienced issues straight away and raised these with the dealer. She says she was repeatedly told that she would be contacted in regard to getting the issues resolved but this didn't happen.

Miss A complained to the business and says that its final response stated she had declined the options offered by the dealer and that the dealer had been trying to contact her. She says this is not true.

Miss A says that when she acquired the car she was told it had one previous owner but she then discovered it had two previous owners. She says that the mileage was incorrect and that the car had been in a previous accident which she was not told about. Miss A says that the paint work has runs and that are various other issues with parts of the car.

Because of the issues, Miss A says the car was misrepresented to her and not of satisfactory quality. She says she has given the dealer enough time to resolve the issues but this has not happened.

The business says that Miss A first raised her complaint with it on 28 July 2016 but it had been previously raised with an associated company prior to that. It says that offers have been made to Miss A for the car to be inspected and due to Miss A's concerns about the dealer the offer has been made for the car to be inspected at a another dealer. It says these offers were rejected.

The business says that it has tried to address the issues raised by Miss A but this has not been possible.

The investigator did not uphold this complaint. He noted that had Miss A been unhappy with the car at the outset she could have withdrawn from the agreement within the first 14 days. He said that evidence showed that the dealer bought the car from the seller and then sold it to Miss A.

He said that the business had offered to resolve the issue with the paint runs and that he had not seen evidence to confirm the car had been in an accident. He noted that he could only recommend that the business fix any faults with the car that were present or developing at the point of sale.

The investigator said that the business had offered to collect the car and have it inspected and any required repairs carried out. He noted that although another dealer had looked at the car it had only given an estimate of the repairs and not considered the cause of the issues.

Miss A did not accept the investigator's view. She said that she asked for a refund within 30 days of acquiring the car and identifying the faults and that the business had the opportunity to inspect the car at her home address on many occasions.

my findings

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

Miss A acquired a used car through a HPA in October 2014. She says that the car was misrepresented to her as the mileage was not correct and the car had two previous owners rather than one.

I have looked at the available information on the mileage. The MOT certificate from September 2014 records a mileage of 26,875 and the mileage recorded on the HPA is 26,800. I do not find based on the evidence I have seen that there is enough to say there was a discrepancy with the mileage.

The registration document shows that there have been two previous owners. I understand that the dealer acquired the car from the previous owner and then sold it to Miss A. I appreciate Miss A's comments that she was told there had been one previous owner but I do not find that this issue has a material effect on the car.

I cannot say whether or not the car was involved in an accident prior to Miss A acquiring it. However, even if this was the case as long as the car was of satisfactory quality at the time of acquisition then I would not require the business to do anything further in this regard.

On balance, I do not find that I have enough to say that the car was misrepresented to Miss A.

Miss A says she identified issues with the car straight away. Under the HPA Miss A had the right to withdraw but she did not take this option.

The outstanding issue relates to whether the car was of satisfactory quality at the point of sale. Miss A has raised issues with the paint work and based on the photographs I have seen I can see that the car does have paint runs. The business has offered to have the car inspected and repairs carried out if required, I find this reasonable. However I also note that if the paint runs were visible at the time Miss A collected the car I would have expected her to raise it then and decide whether or not to accept the car.

Miss A has taken her car to a local dealer and had an estimate carried out for repairs. While I note the issues raised the business is only liable for issues that were present or developing at the point of sale. The estimate carried out does not identify the cause of the issues or when they might have been present. Because of this I cannot say which, if any, of the repairs listed is the responsibility of the business.

There has been conflicting evidence provided in regard to contact made and whether or not Miss A has rejected the offers of inspection. But the key issue now is to identify whether or not the car has issues that have been present from the point of supply.

The business has said that the dealer should be allowed to inspect the car to identify and/or repair any issues which were likely to have been present from the point of sale. Following that, if Miss A remains unhappy with the repairs or with what is agreed to be repaired an independent inspection should be carried out which it has said it would pay for. I find this offer reasonable.

Overall, while I note the comments about the paint runs and the other information in the repair estimate, I do not find that I have enough evidence to say that the car was not of satisfactory quality at the point of sale.

If Miss A would like the dealer to inspect her car and carry out the required repairs as offered by the business, she should contact it or the business directly.

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 Miss A to accept or reject my decision before 12 June 2017.

Jane Archer
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