

The complaint

Mr R complains about the quality of a car he had been financing through an agreement with CA AUTO FINANCE UK LTD (“CA”).

What happened

In June 2023 Mr R took receipt of a used car that he financed through an agreement with CA. The car was seven years old and had completed about 73,000 miles.

In July 2023 he told the dealership about a noise he was experiencing when driving at speed. As the dealership didn’t repair the fault Mr R complained to CA. And when he was dissatisfied with their response, he escalated the complaint to this Service.

Our investigator noted that Mr R had further problems with the car in December 2023 with an Engine Management Light (EML) illuminating and a suspension arm failure. He sought CA’s approval to consider them. But, on balance, he didn’t think Mr R had been able to demonstrate the faults he’d experienced were more than expected wear and tear on a car of this age and mileage.

In March 2024 Mr R sold the car and settled the finance agreement. He remained unhappy about the problems he’d experienced, and he asked for a final decision by an ombudsman.

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 know it will disappoint Mr R, but I’m not upholding this complaint. I’ll explain why.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I’ve read and considered the whole file, but I’ll concentrate my comments on what I think is relevant. If I don’t comment on any specific point, it’s not because I’ve failed to take it on board and think about it but because I don’t think I need to comment on it in order to reach what I think is the right outcome.

Mr R acquired his car under a hire purchase agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn’t then CA, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

In a case like this which involves a car the other relevant circumstances would include things like the age and mileage at the time the car was supplied to Mr R. The car here was already seven years old and had already completed about 73,000 miles.

An old car with a high mileage will not be expected to be as good as a newer car with a low mileage, but it should still be fit for use on the road, in a condition that reflects its age and price.

The problem Mr R experienced in July 2023 appears to have been tied down to wind noise that may have come from a damaged door seal. Some issues are to be expected on a car of this age and mileage and on the evidence Mr R has provided I think this is likely to have been such an issue. It's not something that I think it would be fair to hold CA accountable for.

The EML problem was repaired in January 2024 when an oxygen sensor was replaced. I don't think I have sufficient information to suggest that was an issue that was present, or developing, when Mr R took receipt of the car. He'd managed to drive about 4,000 miles before the warning light illuminated and it seems likely to me that he wouldn't have been able to do so if the fault was pre-existing.

I think repairs to some suspension components could be expected on a car of this age and mileage and that the suspension arm fault was, therefore, more likely to have been due to wear and tear than to be due to the car being supplied in an unsatisfactory condition.

Mr R suggested that the warranty company contributed towards those repairs and I've considered whether that would suggest they accepted the faults weren't related to wear and tear. Unfortunately, Mr R hasn't been able to provide any further information about that and I haven't been provided with the warranty documents to help me understand under what conditions a partial claim would be successful. I'm not, therefore, persuaded to change my opinion that this car wasn't of unsatisfactory quality when supplied and I'm not asking CA to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 October 2024.

Phillip McMahon
Ombudsman