

## **The complaint**

Mr V complains that a car acquired under a hire purchase (HP) agreement with Advantage Finance Ltd ('Advantage') wasn't of satisfactory quality.

## **What happened**

In July 2023 Mr V was supplied with a used car through a HP agreement with Advantage. The car was about ten years old and had covered approximately 79,000 miles when the agreement started. The agreement was for 54 months, and the cash price was £5842.50.

In January 2024 Mr V complained to Advantage. In short, amongst other things he said the vehicle was experiencing problems with the diesel particulate filter (DPF) and said the engine management light (EML) had illuminated. He also said the passenger seat was broken and wouldn't manoeuvre forwards or backwards. Mr V said he wanted to reject the vehicle and said he had raised this within the first 30 days.

Advantage looked into things and didn't uphold the complaint and issued its final response letter in February 2024. It explained, following an independent inspection of the vehicle, faults were present but given the number of miles the vehicle had undergone since Mr V had the car and the length of time passed, the faults would not have been present at the point of sale. And the faults were more than likely caused by age-related wear and tear. It also said that Mr V had declined its offer to repair the faults.

Mr V remained unhappy and brought his complaint to this Service. Our Investigator looked into things and upheld the complaint. She said it was more likely the fault was present or developing when the car was supplied. She suggested Advantage carry out the necessary repairs and pay £100 for any distress and inconvenience suffered.

Mr V didn't agree, he maintained the car supplied by Advantage wasn't of satisfactory quality, so the complaint has been passed to me to decide.

## **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.

Having done so, I've reached the same overall conclusions as our Investigator and for broadly the same reasons. I know this will come as a disappointment to Mr V, but I will explain my reasons below.

The hire purchase agreement entered by Mr V is a regulated consumer credit agreement and this Service is able to consider complaints relating to it. Advantage is also the supplier of the goods under this type of agreement and responsible for a complaint about its quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mr V entered. Because Advantage supplied the car under a HP agreement, there's an implied term that it is of satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a

standard that a reasonable person would find acceptable, taking into account factors such as the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes the general state and condition, and other things such as its fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

Satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mr V's case the car was used and covered approximately 79,000 miles when he acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

Advantage acknowledged it had a potential liability in respect of the quality of goods it supplied and so it instructed an independent party to carry out an inspection of the car. As a result, a detailed report setting out the professional opinion of the third party was provided and because of this it seems likely there is a fault with the car. I say this because the report identified bolts were missing from the front passenger seat frame, posing a potential risk of injury to a passenger in the event of an accident.

The report also identified a build-up of ash in the DPF, suggesting it could potentially cause the car to enter limp mode in certain circumstances. The report noted that the car had travelled minimal mileage since supply which had adversely affected the DPF. It recommended a chemical clean to prevent future issues but did not classify this as a fault. It was also noted an illuminated warning light on the dashboard was present but concluded this was inaccurate, as no faults were detected in the diagnostic system. Therefore, I am not persuaded there is an issue with the DPF.

I understand Mr V thinks the report is inaccurate, but I see no reason why Advantage should not be entitled to rely on this report. I've seen nothing to contradict the findings of this report and so similarly I consider I can rely on the report in determining this complaint. I've explained why I think there is a fault with the car and given that the report was carried out only months after the supply of the car, I think it's more likely than not that the fault was developing at the time of supply. Because of this I must now consider the fairest way for Advantage to put things right.

Mr V has said he'd like to reject the car, The CRA sets out that Mr V has a short term right to reject the car within the first 30 days if the car is of unsatisfactory quality, not fit for purpose or not as described, however, he would need to ask for rejection within that time. Mr V would not be able to retrospectively exercise his short term right of rejection at a later date.

Mr V acquired the car in July 2023 and experienced faults months later, which is outside of 30 days. The CRA says that where a fault occurs more than 30 days after supply – as it has here – the supplier has the right to attempt repair. I don't think the goods were of satisfactory quality at the time of supply and so I consider repair to be the most appropriate remedy.

Mr V should provide Advantage with an invoiced quote for repairs to be authorised.

Mr V has stated that when he braked hard, the seat shifted, leaving him shocked and concerned. As Advantage supplied a car that did not meet satisfactory quality standards, I think it's fair and reasonable for it to pay £100 in compensation for the impact this would have had on Mr V.

### **My final decision**

I uphold this complaint and direct Advantage Finance Ltd to cover the cost of repair to the front passenger seat frame. It should also pay Mr V £100 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 5 March 2025.

Rajvinder Phaiser  
**Ombudsman**