

The complaint

Miss C complains about a used car she acquired through a hire purchase agreement with Startline Motor Finance Limited. Miss C experienced an initial problem with the car's gearbox shortly after taking possession of the car and although that has been repaired, Miss C is unhappy that further issues have been identified.

What happened

In May 2023 Miss C acquired a used car using finance from Startline. The car was approximately six years old and had travelled just over 39,000 miles. The car suffered some issues with the gearbox and in mid-June 2023, repairs were completed to the gearbox.

Although I understand the repairs were successfully completed to the gearbox, without charge to Miss C, Miss C has referred to experiencing some other issues with the car. In particular, the tyres are showing signs of perishing and one was suspected of having a slow puncture. And certain elements of the car, particularly on the underside of the car, are showing signs of corrosion.

Miss C complained to Startline and unhappy with its response, she referred her complaint to our service. One of our investigators considered what the parties had submitted and explained why they considered the complaint should be upheld. In summary, the car was not of satisfactory quality and as Miss C had experienced additional problems with the car after the gearbox had been repaired, Miss C should now be allowed to reject the car.

Miss C accepted the investigator's findings, Startline did not. As the complaint could not be resolved informally, it was referred to me as the last stage in our process.

On 29 May 2024 I issued a provisional decision setting out the reasons why I had come to different conclusions to those reached by the investigator and why I did not consider Miss C's complaint should be upheld. My provisional decision set out the following:

What I've provisionally 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'm very aware that I've summarised this complaint above in far less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most

likely to have happened in light of the available evidence and the wider circumstances.

Startline supplied the car to Miss C under a regulated hire purchase agreement. Because of that, our service is able to consider complaints about the hire purchase agreement and the goods, i.e. the car, supplied under the hire purchase agreement. As the supplier of the car, Startline has an obligation to ensure the car supplied was of satisfactory quality – as set out in the Consumer Rights Act 2015.

Satisfactory quality is what a ‘reasonable person’ would expect, considering amongst other things the age and price of the car. Section 9 of the Consumer Rights Act 2015 refers to satisfactory quality and notes that the quality of goods includes their state and condition. It goes on to list the following aspects, amongst others, of the quality of goods, (a) fitness for all the purposes for which goods of that kind are usually supplied; (b) appearance and finish; (c) freedom from minor defects; (d) safety; (e) durability.

It is reasonable in my view to note the car here was not new and had already travelled 39,000 miles at the time of supply. So, it would be unreasonable to expect a used car like this to be in the same ‘as new’ showroom condition which it would have been when first supplied. But just because the car was used with some mileage, doesn’t mean that Startline has no requirements in relation to satisfactory quality, or more specifically durability.

There appears to be no dispute the car suffered a significant issue with the gearbox and the information provided shows repairs were completed around one month after Miss C took possession of the car. As the issue with the gearbox materialised so quickly after Miss C took possession of the car, it is highly likely in my view that the gearbox was defective or faulty when the car was supplied to Miss C. It is of course possible the gearbox problems only started after Miss C took possession of the car, but considering how quickly the problems were identified, I find this highly unlikely.

Even if the gearbox fault started after Miss C took possession of the car, which I think is unlikely, it would be unreasonable to expect a major component of the car to suffer significant problems when the car had only travelled 39,000 miles.

Considering the circumstances here, alongside the requirements of the Consumer Rights Act 2015, I consider it more likely than not that the car Startline supplied to Miss C was not of satisfactory quality. The gearbox and/or associated components were either defective when the car was supplied, or they were not of sufficient durability.

But there appears to be little dispute about the issues with the gearbox, or that these issues were repaired swiftly and without cost to Miss C. Miss C appears to have accepted those repairs and it is the subsequent points that I’ll refer to next that remain outstanding and have given Miss C cause to seek rejection of the car.

I understand the additional issues relate to the tyres and corrosion to certain areas or components exposed to the underside of the car. Miss C has referred to the tyre pressure warning coming on and that a vehicle health check at the manufacturer branded dealership has noted all four tyres show signs of perishing and cracking. The tyre tread depths are acceptable, but the vehicle health check recommended all four tyres be changed.

The vehicle health check also referred to corrosion on certain areas of the car and that the brake hose will likely cause the car to fail the next MOT.

An independent inspection has also been done on the car and the car has also had an MOT in February 2024. The independent inspection refers to the tyres showing signs of perishing, but ‘the tyres met minimum MOT standards and were serviceable at the point of this

inspection and would have been at the point of sale.'

A slow puncture was identified as the likely cause of the tyre pressure warning message being displayed.

Surface corrosion was identified during the inspection but, '...the level of surface corrosion is not considered excessive for the vehicles age and mileage and there is no doubt that the vehicle currently meets minimum MOT standards.'

The car was MOTd in February 2024 and it appears the car passed the MOT first time. I appreciate by this time that at least two of the car's tyres had been replaced, although it is unclear if all four tyres had been replaced. There was an advisory comment referring to 'Corrosion forming in suspension components', but this did not stop the car passing the MOT. By this time, the car's mileage was recorded as 43,278, meaning Miss C had travelled over 4,000 miles since acquiring the car.

While I can understand Miss C's disappointment when she found out the car was showing signs of corrosion and that she thought the corrosion would cause the car to fail the MOT. From what I have seen, the car passed the MOT and the corrosion was not therefore deemed so significant or dangerous to prevent the MOT pass. Corrosion was noted as an advisory, but as I will explain in more detail, that is not unexpected on a car that was now seven years old and had travelled over 43,000 miles.

The vehicle health check also identified the car's tyres as showing signs of perishing and cracking, but the subsequent independent inspection considered the tyres met the minimum standards required. It is again unclear if all four tyres were replaced before the car was MOTd, or if just two were replaced. But there is nothing in the February 2024 MOT relating to an issue with any of the tyres.

Having carefully considered the circumstances of this complaint, including all that the parties have provided, I am not persuaded that the issues with the tyres or corrosion are sufficient grounds to uphold Miss C's complaint. The vehicle health check is from my understanding applying a different test to that performed in the MOT. The MOT requires a basic level of roadworthiness that every car (that requires an MOT) must meet. This is the legal standard or roadworthiness and safety that qualifying cars have to meet. This is what I would consider the basic standard at least expected when supplying a car, unless defects are actually pointed out to the prospective buyer at the time.

Tyres will wear, in both the tread depth and cracking and perishing, and this is something that is considered to be general wear and tear and maintenance of a vehicle. The car Miss C acquired was significantly cheaper than it would have cost new and this is because of the age and wear of the car being significantly different to that when buying a new car. I'm not persuaded that car's tyres did not meet the standard expected when the car was supplied to Miss C. I again appreciate she may be unhappy she was advised they required replacing, but this is not uncommon when buying a six year old car with around 40,000 miles.

Similarly, a car of this age and mileage could show signs of corrosion and this is not unexpected. The MOT again requires the car to reach a minimum standard and although the corrosion was noted as an advisory point, the car passed the MOT without any work required on the car. The independent inspection also refers to the level of corrosion not being considered excessive for the vehicle's age and mileage.

In my view, these issues are not uncommon or unexpected on a car of this age and mileage and would be considered to be wear and tear issues, rather than evidence of the car being of unsatisfactory quality. It is because of these reasons that I do not consider Startline to be

liable for the cost of those repairs. Or that these would be sufficient grounds to instruct Startline to accept Miss C's request to reject the car.

As referred to above, I accept the car had significant issues with the gearbox and/or associated components and these were likely to result in the car not being of satisfactory quality. But Miss C appears to have accepted those repairs and there would not be sufficient grounds to now require Startline to take back the car in relation to the gearbox issues. Nor, for the reasons explained, are there sufficient grounds to direct Startline to take back the car because of the subsequent issues with the tyres or corrosion.

My provisional decision

I fully appreciate my decision here will come as a disappointment to Miss C. But for the reasons set out above I do not consider there to be sufficient grounds to uphold Miss C's complaint against Startline Motor Finance Limited.

I invited comments from both parties before I issue my final decision. Miss C responded and in summary said, she was shocked at this decision after everything I've been through dealing with this car & it nearly causing me a serious accident.

Miss C says that she doesn't feel safe in the vehicle at all, and the issues were raised within 2 days of having it. She is very disappointed with the outcome and refers to this putting a massive strain on her mental health. She believes the decision is totally unfair given everything.

We did not receive a response from Startline.

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 reconsidered all that the parties have provided in this case, including what Miss C has said in response to my provisional decision, I have come to the same overall conclusions as set out in my provisional decision, for the same reasons.

The issue with the gearbox was repaired without charge to Miss C and while I note Miss C is unhappy about other aspects of the car, I am not persuaded these are issues that Startline is liable for or therefore should meet the cost of repairing or allow Miss C to hand back the car. This is a used car, approximately seven years old and having travelled over 43,000 miles. The issues Miss C has complained about (aside from the gearbox) are what I consider a reasonable person would consider to be serviceable items, or more general wear and tear expected with a car of this age, mileage and price.

I fully appreciate that Miss C is unhappy with the outcome I have reached and note the impact she says this has had on her wellbeing. This does not however lead me to change the outcome I have reached in this complaint.

My final decision

For the reasons set out above and in my provisional decision of 29 May 2024, I do not uphold Miss C's complaint against Startline Motor Finance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 5 August 2024.

Mark Hollands
Ombudsman