

## **The complaint**

Miss G is unhappy that a car supplied to her under a hire purchase agreement with Startline Motor Finance Limited (Startline) was of an unsatisfactory quality.

## **What happened**

In May 2023 Miss G was supplied with a used car through a hire purchase agreement with Startline. She paid an advance payment of £1,000 and the agreement was for £10,290.80 over 36 months; with 35 monthly payments of £257.80 and a final payment of £267.80. At the time of supply, the car was around nine years old, and had done 91,005 miles.

Miss G complained that in July 2023 a service required warning light and a Diesel Particulate Filter (DPF) warning light came on. She said the supplying dealer told her the car had been serviced and the DPF warning was due to her driving style. She said she didn't think the car had been serviced.

She said she added a DPF cleaner to the fuel and this cleared the warning light.

She said that in April 2024 the DPF warning light, the oil warning light, and the engine warning light all came on. She said a local garage told her this was caused by a build-up of carbon in the engine and the oil was contaminated. She said the garage told her the oil hadn't been changed in a long time.

She said the garage cleaned the DPF filter and changed the oil but the warning light was still on. She said this related to the crankshaft sensor and the timing chain. She said she was told it would cost £1,000 to repair, a cost she could not afford. She said both Startline and the supplying dealer refused to help her.

She said she regularly drove abroad to visit her family. She said that she had to hire a car because the car hadn't been repaired.

She said she found a mechanic who could replace the timing chain for £820. This was done but it didn't clear the warning light. She said the mechanic told her it was due to a build-up of carbon and it wouldn't be worth spending more money to fix it.

She then had the engine carbon cleaned, the crankshaft sensor replaced, another oil flush, and the oil changed. She said this had cost her more than £2,000. She said the car seemed fine but then broke down in August 2024 whilst she was abroad.

She said she contacted Startline but they refused to help her get the car back home. She said she was shocked when Startline wrote to her in August 2024 demanding payment of £4,578 as she had taken the car abroad without consent, saying she was in breach of the agreement. She said this was a shock to her as she'd told them on many occasions she was taking the car abroad.

She was unhappy that she had spent money on the car but it was no longer working, and now Startline were demanding she pay the full amount due under the agreement.

Startline said they didn't uphold Miss G's complaint as she hadn't provided any evidence that the faults with the car were present or developing at the point of sale. They said they'd asked her to provide a copy of the independent report they said she had done, but she hadn't done so.

Miss G was unhappy with this response, so she referred her complaint to our service for investigation.

Our investigator said that the faults relating to the oil and the DPF were related to wear and tear and to be expected of a car of this age. So she said Startline didn't need to do anything in relation to this elements of Miss G's complaint.

She said that the supplying dealer had said that the timing chain had been replaced prior to supply. She said that Miss G had provided evidence that she needed to replace that part. So she was persuaded that the car was not of a satisfactory quality when supplied to Miss G: that was because it wasn't reasonably durable as the timing chain required replacement just a year after purchase.

She said that Startline should reimburse Miss G the cost of the timing chain, but not the costs related to DPF or oil issues.

Miss G replied with evidence that the cause of the car's failure was likely due to a head gasket issue – likely caused by contaminated engine oil.

Our investigator said there was no evidence that the contamination of the oil was present or developing at the time of supply. She said there was no evidence that the current issue with the head gasket was related to the replacement of the timing chain. And because Startline hadn't arranged for the replacement of the chain, it wouldn't be fair to hold them responsible for this.

Miss G didn't agree with the investigator. She said the failure of the timing chain, and the DPF and oil issues together showed the car was not of a satisfactory quality and raised concerns about the overall reliability of the car.

Because Miss G didn't agree, this matter has been passed to me to make a final decision.

### **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 the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Where evidence has been incomplete or contradictory, as it is in this case, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

I haven't considered Miss G's complaint about Startline claiming she was in breach of contract because she took the car abroad. I can't see that she has made that complaint to Startline, or that they have had the opportunity to respond. That needs to happen before this service can consider that part of her complaint.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Miss G was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

The Consumer Rights Act 2015 (CRA) covers agreements such as the one Miss G entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the age and mileage of the car and the cash price. The CRA says the quality of the goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability.

So, if I thought the car was faulty when Miss G took possession of it, or that the car wasn't sufficiently durable, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Startline to put this right.

My starting point is that I would expect a level of wear and tear on a car of this age and mileage. I note that in an invoice submitted by Miss G, the mechanic noted that he recommended an oil flush and oil change every 6,000 miles on that type of engine, and a carbon clean every 12 months.

I find the mechanic's statement persuasive. It indicates to me that the warning lights on the car were more likely than not to be as a result of routine maintenance required due to the high mileage, and the type of engine in the car. I see that Miss G put a DPF cleaner in the car in July 2023, and was able to drive the car for more than 7,000 miles before the oil and DPF warning lights came on eight months later. So it appears to me that the mechanic's advice that an oil change was required every 6,000 miles was likely to be correct.

So I'm satisfied that the issues related to the carbon, the DPF, and the oil were likely due to wear and tear and not due to any fault present or developing at the time Startline supplied the car to Miss G. So I won't be asking them to do anything more in relation to those parts of the complaint relating to the carbon, the oil, or the DPF.

I see that Miss G had to pay for a timing chain replacement in April 2024. I've seen an email from the supplying dealer in which it claims it replaced the timing chain – as part of an overall service before it supplied the car. I would expect a timing chain to last the lifetime of the vehicle: and more than 11 months. So, I don't think it was sufficiently durable. The timing chain has now been replaced, at Miss G's expense. Under the CRA, the appropriate remedy for this would be a repair. As that has already been done, Startline should reimburse Miss G for the cost of replacing the timing chain.

Miss G says the car broke down in August 2024 and was undriveable. She says she was told the engine was full of oil and unrepairable. Her mechanic told her the engine had seized and he recommended a new engine be fitted.

Miss G supplied comments from an independent engineer who had inspected the car in July 2024. I haven't seen the full inspection report as Miss G has not submitted it with her complaint. It appears she disagreed with its contents/findings.

In the comments I've seen, the engineer refers to the cause of the current breakdown being due to a cylinder head gasket issue. He says this was not consistent with the issue he had

inspected – this was carbon contamination and he had suggested this was a common problem with that engine. He said he suggested changing oil filters and cleaning the oil pump may help.

He said that the head gasket issue would be a separate one to the carbon, oil, and DPF issues.

I've not seen any other evidence that links the breakdown of the car to the earlier issues. I've explained above why I believe the carbon, oil, and DPF issues are wear and tear related – this is based on comments from her own mechanic and the independent engineer.

I do think the timing chain was faulty at supply, and so Startline should pay the costs of replacement.

But there is nothing to show this led to the current issue with the head gasket or the breakdown of the car in August 2024. So I won't be asking Startline to do anything in relation to this engine failure as I've seen no evidence that it was related to any faults present or developing at the time of supply.

### **Putting things right**

I've explained above why Startline should refund Miss G for the costs of replacing the timing chain.

### **Distress & Inconvenience**

It's clear that Miss G has been inconvenienced by having to arrange for the timing chain to be replaced. She would not have to do this had the timing chain that had been replaced before Startline supplied her with the car been of a satisfactory quality. So, I think Startline should pay her £200 in compensation to reflect the distress and inconvenience caused.

Miss G has described the emotional and financial impact this matter has had on her, at a difficult time in her life. I acknowledge and appreciate these difficulties. But I can only ask Startline to compensate her for distress caused by issues I hold them responsible for. Many of the issues she has faced are connected to the carbon, oil, and DPF issues. I've explained why I'm not holding Startline responsible for them. So my award for distress and inconvenience is related only to the failure of the timing chain.

Therefore, Startline should:

- refund Miss G the cost of the repair and replacement of the timing chain on production of an invoice and receipt showing the breakdown of costs and payment made;
- apply 8% simple yearly interest on the refund, calculated from the date Miss G made the payment to the date of the refund<sup>†</sup>; and
- pay Miss G an additional £200 to compensate her for the trouble and inconvenience caused by being supplied with a car that required repairs.

<sup>†</sup>If Startline considers that tax should be deducted from the interest element of my award, they should provide Miss G with a certificate showing how much they have taken off so she can reclaim that amount, if she is eligible to do so.

**My final decision**

For the reasons explained, I uphold Miss G's complaint about Startline Motor Finance Limited, and they are to follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 25 March 2025.

Gordon Ramsay  
**Ombudsman**