

The complaint

Mr K complains that a car acquired with finance from Billing Finance Ltd wasn't of satisfactory quality.

What happened

In February 2023 Mr K was supplied with a car and entered into a hire purchase agreement with Billing Finance. At the point of supply the car was around 9 years old and had covered 68,600 miles.

Mr K contacted Billing Finance in March 2023 and reported faults. He said the car was meant to achieve 153 miles on a full charge but it wasn't achieving this. He said that a diagnostic check had shown that there were 13 faults with the car. Mr K asked to reject the car.

Billing Finance contacted the broker, who spoke to the supplying dealer. The supplying dealer provided a copy of the advert for the car. the advert didn't mention the range of the car on a full charge.

Billing Finance advised Mr K that the supplying dealer would inspect the car and that if a fault was found, rejection could be considered.

Mr K said he wasn't happy for the supplying dealer to carry out the inspection. Billing Finance arranged an independent inspection of the car. This took place in May 2023.

The inspection report concluded that the cars performance was commensurate for its age and mileage. No faults were identified with the electric battery. The inspector found some fault codes but said these were not of concern because the car was driving as expected with no warning lights illuminated and no malfunctions.

Based on the findings of the report, Billing Finance didn't uphold Mr K's complaint.

Mr K remained unhappy and brought his complaint to this service. He said that he'd been advised that some of the fault codes related to the battery charging circuitry which meant that the car couldn't reach a fully charged state in a reasonable period of time. He said he'd had to wait at a charging point for 2 hours to charge the battery, when this was something that he thought should take 20 minutes.

Our investigator didn't uphold the complaint. She said that having reviewed all of the information available, she wasn't persuaded that there was something wrong with the car. The investigator said that although the independent inspection had found three fault codes, the car drove as expected, and the engineer hadn't been able to identify any fault with the electric battery. The investigator said that the range of the car was in line with the EV Database and commensurate with the age and mileage of the car. She said she wasn't persuaded that the car was of unsatisfactory quality, and therefore she didn't think it was fair to ask Billing Finance to allow Mr K to reject the car.

Mr K didn't agree. He said that the charging capacity of the car hadn't been looked at during the independent inspection. He also said that the findings of the BMW main dealer who identified a fault with the battery had been ignored. Mr K said that the EV database stated that the car should attain a full charge in 20 minutes, but it was taking him 2 hours.

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.

The Consumer Rights Act 2015 is relevant to this complaint. This says that goods must be of satisfactory quality when supplied. Cars are of satisfactory quality if they are of a standard that a reasonable person would regard as acceptable, taking into account factors such as the age and mileage of the car and the price paid. The legislation says that the quality of the car includes its general state and condition, as well as things like fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

The car supplied to Mr K was around 9 years old and had covered around 68,600 miles. So it's reasonable to expect that the car would already have a degree of wear and tear and that it would require repairs sooner than, say, a brand new car.

I've reviewed the available evidence about the issues which Mr K has experienced with the car, including the information from Mr K's local BMW garage and the independent inspection report.

Mr K has said that there is a fault with the car which prevents it from charging as quickly as it should. He also says that the car doesn't achieve the mileage that it should on a full charge.

The information from the BMW garage indicates that an investigation was carried out to see why the car wasn't charging as fast as Mr K expected. The letter from the garage is very short and says that the main battery needs to be replaced.

The information from the other garage (TopDon) shows that a diagnostic report found 13 fault codes. All the faults were intermittent.

The independent inspection report found three fault codes but found no fault with the electric battery. The car was charged to 67 miles when the independent inspection started and after driving the car for 28 miles, the range had dropped to 40 miles. The inspector said that the car drove as expected.

Based on what I've seen, I'm not persuaded that there is fault with the car. Although the letter from the BMW garage states that the main battery needs to be replaced, it doesn't state that the car has a fault and doesn't explain why the battery needs to be replaced. Although the diagnostic report showed 13 fault codes, no specific fault was identified. Similarly, in the independent inspection report, no faults were found.

I've gone on to consider whether the car was of satisfactory quality when it was supplied.

I've taken into consideration the point Mr K has made about the charging capacity of the battery and the lack of investigation into this at the independent inspection. Mr K has said that the battery takes longer than expected to charge. I've reviewed the information Mr K has provided in this regard and I can see that home charging of the car from 0-70 miles is stated to take 3 hours. A fast charge is stated to take 20 minutes. I haven't seen any evidence of the type of charger Mr K is using, but it does appear that a charging time of 2 hours is correct if the car doesn't have a fast charge port.

I appreciate that the diagnostic report and the independent inspection report found some fault codes. It isn't unusual for second hand cars to have stored fault codes. This doesn't mean that the car has a fault. The independent inspection report found no fault with the battery, and when the car was driven, the range decreased in a way which was commensurate with the mileage covered. The engineer stated that the cars performance was as expected.

Mr K has said that the car doesn't chieve the range he expected. I've looked at the advert for the car but there were no representations made about the range of the vehicle on a full charge. The EV database states that around 70 miles is achievable in this vehicle on a fully charged battery, but that the range will vary according to factors such as the temperature, the terrain, use of heating/air conditioning systems and driving style.

Taking all of the available information into account, I'm unable to conclude that the car has a fault, or that the car wasn't of satisfactory quality when supplied. Because of this, I'm unable to say that there is any obligation on the business to allow Mr K to reject the car.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 28 December 2023.

Emma Davy
Ombudsman