

The complaint

Mrs A complain that a car acquired with finance from Startline Motor Finance Limited ("Startline") was mis sold to her because it had a history of salvage.

What happened

In April 2023 Mrs A was supplied with a car and entered into a finance agreement with Startline. At the point of supply the car was around six years old and had covered around 23,254 miles. The purchase price was £10,029.00.

In June 2023 Mrs A contacted Startline to raise concerns about the car. She said that after getting the car she had decided that it was too small for her family and obtained a valuation with a view to selling it. She said it was at this point that she found out that the car had a history of salvage. Mrs A said that as a result she couldn't sell the car and asked to reject it.

In its final response. Startline said it had checked the car using its internal tools and had found no evidence that the car had ever been stolen or written off. Startline said it wouldn't support Mrs A's request to reject the car.

Mrs A remained unhappy and brought her complaint to this service.

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.

Mrs A has said that she only found out about the cars history when she tried to sell it. She's said that prior to this, she had assumed that the supplying dealer would have carried out all necessary checks.

I've reviewed the original advertisement for the car. This states that a HPI check was completed. The check didn't reveal any history of insurance write off, theft or existing finance.

Startline also carried out a check during its investigation of Mrs A's complaint and found no evidence that the car had ever been stolen or written off.

I've reviewed the information Mrs A obtained from "Vcheck". This suggests that the car was recovered following a theft on 15 January 2021 with mileage of 12,430. Following this, the car was sold to its second owner and remained in that person's ownership for around two years before being sold to the dealer from whom Mrs A purchased the car.

Mrs A has said that the car was mis sold to her because its salvage history wasn't disclosed. As I've already said, the HPI check carried out by the supplying dealer didn't reveal any history of insurance write off, theft or existing finance. So, there's no evidence to suggest that the supplying dealer knew, or ought to have known, about the history of the car as reported by "Vcheck".

In order to find that there has been a misrepresentation (or mis sale), I'd need to be satisfied that the supplying dealer made an untrue statement of fact about the car which induced Mrs A to enter into the agreement. There's no evidence to suggest that the dealer made any statements to Mrs A about the cars never having been stolen. And there's nothing in the original advertisement for the car which amounts to a false statement of fact. For these reasons I'm unable to say that there's been a misrepresentation or that the car was mis sold to Mrs A.

I understand that Mrs A is concerned about the fact that the car may have suffered damage when it was stolen and that it has been sold by an insurance company at a salvage auction. There's no evidence to support this. The car passed a MOT shortly before it was sold to Mrs A and there was nothing to suggest that the car had suffered previous damage.

Because of Mrs A's concerns about the car, I've gone on to consider whether it was of satisfactory quality when it was supplied. Under the Consumer Rights Act 2015, 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, having regard to the age and mileage of the car and the price paid. The legislation says that the quality of goods includes their general state and condition, as well as things like fitness for purpose, appearance and finish, freedom from minor defects, safety and durability.

There's no evidence that the car supplied to Mrs A wasn't of satisfactory quality due to damage. If a car suffers damage which is significant enough for the car to be written off, then this must be recorded on the HPI register and would be revealed by the HPI check. In cases where the damage isn't significant, the damage can be repaired. This doesn't necessarily render the car of unsatisfactory quality when it is sold on.

Mrs A has said that she's been unable to sell the car through more than one car buying company. She's said that this is because of the car's history. I'm aware that some car buying companies carry out additional checks and have different criteria as to whether they are prepared to purchase a car. However, this doesn't mean that the car was mis sold, or that it is of unsatisfactory quality.

Based on everything I've seen, I'm not persuaded that Startline has done anything wrong here. I won't be asking it to do anything further.

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 Mrs A to accept or reject my decision before 2 February 2024.

Emma Davy
Ombudsman