

The complaint

Mr T has complained about the quality of a car he acquired using a finance agreement with PSA Finance UK Limited.

What happened

In October 2021, Mr T took out a finance agreement with PSA for a used car. It was around six years old, and had travelled just under 70,000 miles.

In May 2022, and on two further occasions, Mr T complained to PSA about the car's quality. PSA responded each time to say Mr T hadn't provided any evidence of any faults, so encouraged him to take the car to the dealership for an inspection. Unhappy with this, Mr T complained to our service, and said he'd like a full refund.

One of our investigators looked into what had happened. She said that given the age and mileage of the car, it would be reasonable to expect it to have suffered wear and tear. So, it would be more likely to need maintenance and repair sooner than a less road-worn car.

She considered the three reports that had been provided (from an MOT centre, a diagnostic report, and a garage in connection with the warranty). Having done so, she was satisfied that there were issues with the car. But she went on to say that, just because something has gone wrong, doesn't always mean the goods are not of satisfactory quality at the point they were supplied.

She noted she'd received evidence of a repair in April 2022, and proceeded on the basis that this was when the earliest repair was carried out, and that this was six months into the agreement. There's later evidence of separate issues with the car in May 2022 and November 2022.

She said that, had the issues been present or developing at the point of supply, she'd have expected them to have presented themselves sooner than this. She also noted that the evidence provided doesn't comment on whether the issues are likely to have been present or developing at the point of supply.

So, she thought the problems appeared to be due to a reasonable level of wear and tear - and the car was of satisfactory quality when it was supplied.

Mr T disagreed, so the complaint's 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 agree with the investigator. I know this will be disappointing for Mr T, but I'll explain why. I've considered all of the submissions carefully. But in my decision, I refer to

the issues that I think go to the heart of the complaint. This isn't intended as a discourtesy to either party. Rather, it reflects the informal nature of our service.

The first reported issues were six months into the agreement. And I also note that in May 2022, when the mileage was recorded seven months into the agreement, Mr T had travelled 7,000 miles. An average monthly mileage is typically 1,000 miles a month, so I'm satisfied that Mr T had been using the car in a standard/average fashion. As the car was second hand, and considerable mileage when supplied, I'd expect that issues would be arising, commensurate with the age and mileage of the car. I've seen no evidence to suggest that any of the issues Mr T has reported (which I've thought about individually) were outside of standard wear and tear, or arose because any inherent defect with the car.

For these reasons, I think PSA has acted fairly and I'm not requiring it to do anything further.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 17 November 2023.

Elsbeth Wood
Ombudsman