

The complaint

Mr B complains about the quality of a car he has been financing through an agreement with Blue Motor Finance Ltd, who I'll call BMFL.

What happened

I issued my provisional decision on this complaint in August of this year. An extract from that provisional decision is set out below.

I'm not currently expecting to uphold this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr B acquired his car under a hire purchase agreement. This is a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn't then BMFL, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

In a case like this which involves a car the other relevant circumstances would include things like the age and mileage at the time the car was supplied to Mr B. The car here was about seven years old and had completed about 91,700 miles.

Mr B has provided photographs of the extensive rust, bubbling, and paint peel, present on the front wings of his car. He took receipt of the vehicle in October 2021 and complained to BMFL about the rust about 16 months later. As Mr B had the car for some time before he reported the issues I think, and the relevant legislation would suggest, that the onus is on him to demonstrate the rust was developing when the car was supplied to him, and the car was therefore of unsatisfactory quality.

Mr B has provided a written statement from a garage he took the car to. The mechanic explained:

"Upon examination the car is suffering from extreme corrosion of the two front wings and paint peel/bubbling, corrosion on rear wheel arches.

In our opinion this is not in keeping with a car of this age and mileage.

Peugeot give a very generous 7 year anti-corrosion warranty on their cars from new and this vehicle is only a couple of years out of this warranty, we would not expect to see this amount of corrosion on a car of this age to the extent that this vehicle is showing.

We would therefore theorise that the car has been very poorly painted at some point in the last 2-3 years, there is no evidence of any damage repair but the front wings are corroded very badly.

We do not think the car is on its original paint, there is evidence of paint work being carried out, over spray on rubbers and paint colour mismatch.

It's our opinion that this vehicle has been poorly painted and prepared for sale on the cheap."

I'm not persuaded that evidence is sufficient to demonstrate the car wasn't of satisfactory quality when supplied. I say that because:

- The report isn't independent as the garage goes on to provide a quote for the work and is clearly seeking to benefit from Mr B's custom.*
- The car was more than seven years old when Mr B complained about the rust. I think the presence of some rust on the car could therefore be considered normal.*
- I've not seen sufficient evidence to suggest the extent of the rust is abnormal or that it would suggest the car hadn't been sufficiently durable.*
- I don't think the presence of a repair on the car when it was supplied would necessarily make the car of unsatisfactory quality, and while I accept that if that repair was of poor quality it may make the car rust earlier than would be expected, I don't think I have sufficient expert evidence to suggest that was the case here.*
- Mr B lives in a coastal area in Scotland where I think it's fair to say his car would be exposed to salt sea air and adverse weather conditions likely to advance the formation of rust.*

If Mr B wishes to commission an independent expert report I will allow time for that to be completed and considered. If the report provides sufficient information to persuade me to uphold his complaint I will order the business to refund the cost of that report. But, on the basis of the information I currently have, I'm not expecting to uphold this complaint.

My provisional decision

For the reasons I've given above I'm not expecting to uphold this complaint.

Further evidence and/or comments

BMFL provided a copy of some of their system notes.

Mr B also replied. He was unhappy and didn't think I'd been fair when he said I'd dismissed his report; he said he'd gone to a great deal of time and effort to obtain it. He thought my comments on him "staying in a coastal part of Scotland and salty air causing the car to corrode faster" were ridiculous, and he explained that he lived nowhere near the coast. He said I hadn't gone into enough detail about the poor paint job and the subsequent rusting that he said had been touched up by the dealer, which he said wasn't normal.

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.

I understand Mr B's frustration, but I also note that he hasn't provided an independent report that I suggested was necessary in this case. The address we have for Mr B suggests he lives about ten miles from the coast, that seems to me close enough for the effects of the sea air to be a reasonable consideration. But, even if I am wrong about that, it was only one of the considerations I set out in my provisional decision. I don't agree that I dismissed Mr B's report. It adds some evidence, but it wouldn't be fair to suggest it is "independent" and, on balance, I still don't think I have sufficient evidence to fairly suggest the car was of unsatisfactory quality.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 November 2023.

Phillip McMahon
Ombudsman