

The complaint

Mr M complains about the quality of a car he has been financing through an agreement with STARTLINE MOTOR FINANCE LIMITED (who I'll call Startline).

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

I know it will disappoint Mr M, but I agree with the investigator's opinion. 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 M 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 Startline, 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 M. The car here was about six years old and had already completed about 66,000 miles.

An old car with a high mileage will not be expected to be as good as a newer car with a low mileage, but it should still be fit for use on the road, in a condition that reflects its age and price.

Mr M first reported an issue with the gearbox on his car in May 2023, about seven months after he'd taken receipt of it. He'd completed 5 to 6,000 miles in the car by then.

The independent inspection completed in September 2023 corroborated the findings of the approved dealership who had identified a fault with the gearbox which would require its

replacement. Under the relevant legislation Startline are only responsible for faults that are present or developing at the point the car is supplied. It was the independent inspector's view that the gearbox fault was most likely due to normal wear and tear and that it didn't, therefore; represent a fault present at supply. The inspector said:

"...the vehicle has covered 80,000 miles and the fault (my edit) is classed as nothing other than general maintenance and therefore not the responsibility of the sales agent."

Mr M says the gearbox wasn't serviced properly and that an approved dealership had told him it had:

"never undergone a maintenance check or oil change on the gearbox, despite it being equipped with Audi's Haldex system. It is imperative to note that regular oil changes are essential for the proper functioning of this system, and such maintenance activities would typically be documented in the vehicle's service history".

It's, therefore, Mr M's assertion that the failure to adequately service the car led to the problems he now has with it.

If Mr M was told the car was fully serviced before it was supplied to him, and if it wasn't, then I may think the car had been misrepresented to him as I may have been persuaded that he wouldn't have proceeded with the deal had he not been provided with that false statement. But the original advert for the car shows it was only advertised as having some, and not a full, service history and, in those circumstances, I don't think the vehicle was misrepresented to Mr M.

I think it's likely the gearbox on this car has failed through normal wear and tear and in those circumstances, I don't think Startline have been unreasonable to reject Mr M's complaint and I'm not asking them to take any further action.

I was sorry to hear that Mr M is facing some financial difficulties as a result of these matters. I'd expect Startline to be supportive and understanding of those difficulties and to see what they can do to help Mr M fulfil his financial commitments to them. If Mr M thinks they haven't been, he may want to raise a new complaint with them. But it's not a complaint this Service can fairly consider until Startline have had a chance to do so.

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 M to accept or reject my decision before 23 April 2024.

Phillip McMahon
Ombudsman