

The complaint

Mr Y complains First Response Finance Ltd (First Response) supplied him with a car that he believes wasn't of satisfactory quality.

What happened

In November 2022, Mr Y entered into a 43 month hire purchase agreement for a used car. The car's cost was around £7,000. It was over 7 years old and had travelled over 85,400 miles. Mr Y was required to make monthly payments of around £250.

In April 2023, Mr Y complained he was experiencing issues with the car. He said the horn wasn't working meaning the car failed its MOT test. He also said the airbags were disabled, the brakes weren't working and the bonnet was faulty amongst other things. He said he had taken it to a third party garage and they found the horn wasn't working. The garage also found around 17 fault codes but said further investigation was needed.

First Response said they would arrange for the horn and the other issues to be investigated and repaired. The car was returned to the dealership but they said they couldn't find any faults. Despite this, Mr Y maintained the horn was still faulty.

First Response arranged for an independent inspection to be carried out in May 2023. It found there was an intermittent fault with the horn which was related to a defective clock ring. However it concluded this was due to wear and tear and it was expected for a car of its age and mileage. It said given the mileage covered by Mr Y, the fault wouldn't have been present when he acquired it.

Based on these findings, First Response said they weren't responsible for the fault with the horn. However as a gesture of goodwill, they agreed to honour their initial offer of covering the cost of the repair.

Unhappy with their response, Mr Y referred the complaint to our service. The investigator recommended the complaint wasn't upheld. He said based on the conclusions of the independent inspection, First Response weren't responsible for the fault with the horn so he wouldn't be recommending rejection. He also commented despite these conclusions, he believed First Response's offer was fair and reasonable given the circumstances.

Mr Y disagreed and maintained his stance. He commented due to the issues with the car it should've never been sold to him, he had lost confidence in it, and he wasn't willing to make payments towards the agreement. Mr Y later told our service the car had been collected by First Response and sold at auction but he says he's not willing to pay any outstanding sums to First Response.

As an agreement couldn't be reached, the complaint has been referred 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've decided not to uphold Mr Y's complaint. I will explain why.

Mr Y acquired a car under a regulated credit agreement. First Response was the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply and the quality of the car.

The Consumer Rights Act 2015 (CRA) is relevant to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory". To be considered "satisfactory", the goods would need to 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 involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of supply, the car's history, safety, durability, etc.

In this case, Mr Y acquired a car that was over seven years old and had travelled over 85,400 miles. As this was a used car with considerable mileage and age, it's reasonable to expect parts may already have suffered substantial wear and tear when compared to a new car or one that is less travelled.

I've carefully considered the evidence and version of events from both parties. Mr Y has complained about a number of issues with the car including the horn, disabled air bags, etc. He has provided evidence of an invoice from a third-party garage which says the horn wasn't working and there were a number of fault codes found which needed to be investigated further. Although it's worth mentioning it's unclear whether these were present or historic fault codes. I've also considered the findings of the independent inspection which also confirms there is a fault with the horn (an intermittent one). Based on both sets of evidence, it's clear there is a fault with the horn. However there is insufficient evidence for me to reasonably say there were any other faults as reported by Mr Y.

However although I find that to be the case, I must consider whether the fault with the horn meant the car was of unsatisfactory quality at supply. In this case, I don't find it does. I've already set out above the expectations of a used car especially one of considerable mileage. As mentioned, it's very likely to start developing issues much sooner than a less travelled car.

In the absence of any other evidence, I find it's reasonable to rely on the findings of the independent inspection as the person who carried it out is suitably qualified with the relevant expertise and knowledge of car mechanics. Having read the report, it concludes the fault with the horn is due to wear and tear and would be expected of a car of its age and mileage. Given the mileage covered by Mr Y (over 2,800 miles), it said on the balance of probability the fault wouldn't have been present or developing at supply.

Based on the findings of the inspection report, I find the car was of satisfactory quality at supply and the fault with the horn is due to wear and tear. Therefore I won't be asking First Response to treat the agreement as being a rejection.

Despite the findings of the inspection report, First Response still agreed to honour their initial offer of covering the cost of the repair for the faulty horn. I consider this be fair as they're not obliged to do so, therefore I can't say they've acted unreasonably.

I'm sorry to hear about the fault Mr Y experienced with the car and his loss of confidence in it as he didn't consider it to be safe. I appreciate he relies on driving it to take him to his regular medical appointments so this situation has been difficult for him. It's clear he feels

strongly about the matter so I understand he will be disappointed by my outcome but I hope he accepts my findings.

My final decision

For the reasons set out above, I've decided not to uphold Mr Y's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 14 November 2023.

Simona Reese
Ombudsman