

The complaint

Mr G complains about the quality of a new car, and about the service he received when he ordered it through a hire agreement with U.K. Carline Limited (UKCL).

What happened

In March 2023, Mr G entered into a hire agreement with UKCL for a new car. The agreement was over 36 months with an initial rental of £958.29.

Mr G complained to UKCL in April 2023 about the processing and delivery of his lease vehicle. Mr G said it's been inconvenient, stressful and has seen him lose out financially.

From Mr G's complaint correspondence to UKCL, dated 24 April 2023, I've summarised Mr G's main complaint points below:

- He was led to believe the vehicle had to be delivered by the end of March 2023
- The delivery date was delayed with the car being delivered on 21 April 2023
- He incurred a financial penalty for terminating his existing finance agreement
- The car was muddy with scratches to the console and a scuff on the driver's door

On 22 June 2023 UKCL issued their final response to Mr G's complaint which they didn't uphold. UKCL said they kept Mr G informed throughout the delivery process, provided a courtesy car whilst Mr G was waiting for his new car, delivered the car as soon as possible after it had been fixed and offered a fair resolution to the condition the car arrived in.

Unhappy with their response Mr G brought his complaint to our service for investigation.

Having reviewed the information on file, one of our investigators recommended that Mr G's complaint should not be upheld. The investigator wasn't persuaded there was sufficient evidence of any misrepresentation or breach of contract. They didn't think UKCL were at fault for the delays, and believed they offered a fair resolution for the condition the car was in when it arrived.

Mr G responded to say he felt UKCL's actions were unethical. He raised concerns about the way in which UKCL handled his complaint, and believed he should receive a monetary value for the valet of his car as it was UKCL's responsibility to follow through on their offer to clean it.

However, as our investigator's view remained unchanged, Mr G asked that his complaint be referred to an ombudsman for a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

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.

The agreement in this case is a regulated hire agreement. As such, this service is able to consider complaints relating to it. UKCL is also the supplier of the goods under this agreement, and is responsible for a complaint about their quality.

Mr G complains about a few different issues, so I've addressed each one separately below:

misled or forced into the hire agreement

Mr G said he entered into the finance agreement on the stipulation that the vehicle had to be delivered by March 2023. He said he believed the conditions of delivery was misrepresented to him. Mr G said the information he was given by the dealership that the car had to be delivered by March 2023 was false. And that it was this information that led him to enter into the agreement.

In considering whether there was a misrepresentation of the car at the point of supply, I've considered whether there's been a false statement of fact and if the false statement of fact would have induced Mr G to buy the car. Based on the evidence I have from both parties; it seems unlikely that a false statement of fact was made, so I'm not persuaded the car was misrepresented.

Section 56 of the Consumer Credit Act 1974 explains that in certain situations, finance providers are liable for what is said by a supplier before the consumer takes out a credit agreement. So, if the dealer incorrectly told Mr G something about the car prior to the supply of it, it's taken as if UKCL told Mr G the same.

Having considered this, I haven't seen any information that contradicts the requirement for the vehicle to be delivered in March 2023. In the email trail provided by Mr G, in response to Mr G's query about the condition being that the car had to be delivered in March, the dealership says: *"My understanding is that it was a stipulation of the deal set by the finance company"*.

Having thought about this, I don't think it's reasonable to conclude that the email provided a false statement of fact. In it, I think it's reasonable to say the dealership were confirming their understanding of something. In addition, I've seen no evidence that this information forced or induced Mr G to enter into the agreement. For example, further emails or communications from the supplier or from UKCL coercing Mr G into signing and accepting the agreement by a specific date. So, I'm satisfied from the information on file that UKCL didn't misrepresent the agreement to Mr G.

As I've concluded that UKCL didn't mis represent the agreement, it follows that I don't think they need to take any action in relation to any penalties or fees Mr G may have had to pay to settle his existing agreement.

Delays

From the information provided I can see that the car was initially set to be delivered on 27 March 2023. I can see that the supplier incurred delays which prevented it from being delivered on that date. I haven't seen any evidence that shows UKCL were at fault here. however, I have seen that Mr G was kept informed, for example, as described in the timeline of events provided by UKCL.

A delivery date was rescheduled for 4 April 2023, however the car broke down and had to be repaired. I can see that it was fixed and redelivered just over two weeks later on 21 April 2023. I recognise the changes to the delivery date would have been inconvenient and frustrating for Mr G, however, I haven't seen any evidence that any of the delays to the delivery was a result of errors or the actions of UKCL.

The information on file shows that Mr G was provided with a courtesy car where possible and kept informed about the delivery date changes.

In addition to this, the terms of the agreement says *"Delivery dates are subject to change by the manufacturer, and UK Carline Ltd has no control or influence over manufacturer lead times and will not accept any responsibility for any losses or inconvenience caused because of a delay by the manufacturer"*.

And the order form which Mr G signed, says: *"U.K. Carline Limited will do its best to deliver your vehicle on the estimated delivery date, but this is subject to delivery agents, manufacturers, and factors too remote for U.K. Carline limited to control"*.

All things considered, I think UKCL acted fairly throughout this process and so I'm not persuaded that they were at fault for the delays, or treated Mr G unfairly when they did occur.

condition of the car

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that *"the quality of the goods is satisfactory, fit for purpose and as described"*. To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

Mr G says when the car was delivered it was muddy in the footwells, had a scuff on the door and scratches on the console. Mr G provided images to UKCL showing the vehicle's condition. I've considered from what Mr G has said here, is that he's unhappy with the condition or quality of the vehicle.

In an email from UKCL, they believed having seen the images, that the marks were able to be removed through cleaning, and offered to valet the car. I acknowledge Mr G said they didn't follow-up on their offer, however, I think it would have been reasonable for Mr G to instigate this action. The offer to valet was confirmed, and the state of the car (being muddy) was a pending and immediate requirement. I don't think it was reasonable to wait for further contact from UKCL before deciding to take the necessary action to have the vehicle cleaned.

I acknowledge Mr G said the scratches and scuff didn't come out after the car was cleaned. I haven't seen that Mr G has provided evidence of any lasting damage, following a clean of

the vehicle. I think it would have been reasonable for Mr G to demonstrate that any damage still remained, for example by providing updated images to UKCL so they could take the necessary action to look into it.

All things considered; I don't think it'd be fair to instruct UKCL to pay for repairs for damage that hasn't been confirmed. From the information provided, although I acknowledge the car was muddy when it was delivered, I'm satisfied UKCL have fairly addressed this. I'm also persuaded, in the specific circumstances of this case, that the car was of satisfactory quality when it was supplied to Mr G.

Based on all the above, UKCL are not responsible for the delays that occurred, I'm satisfied they've offered a fair resolution to address the poor state of the car. I've also not seen any evidence that the car was of unsatisfactory quality or that the agreement was misrepresented. So, I don't uphold this complaint and don't require UKCL to take any further action in respect of this complaint.

My final decision

Having thought about everything above along with what is fair and reasonable in the circumstances, I don't uphold Mr G's complaint against U.K. Carline Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 November 2023.

Benjamin John
Ombudsman