

## **The complaint**

Miss B complains that a used car she acquired under a hire purchase agreement (“agreement”) with Blue Motor Finance Ltd (“BMFL”) was misrepresented to her. And had it not been, she wouldn’t have purchased it and she wouldn’t have entered into the agreement.

## **What happened**

In January 2021 Miss B purchased a used car (costing £16,995.00) from a dealership that I will call “W”. The purchase was funded by an agreement with BMFL.

Under the terms of the agreement, everything else being equal, Miss B undertook to make an advance payment of £1,800.00 followed by 83 monthly payments of £306.85 and 1 monthly payment of £307.85 – making a total repayable of £27,576.40 at an APR of 17.9%.

In early 2023 Miss B tried to sell the car on an online platform administered by a company that I will call “M”.

However, M notified Miss B that it was unable to facilitate a sale (on its platform) because one of its checks had identified that the previous owner (to her) had used the car as a taxi.

On being notified of the above Miss B complained to BMFL. She said that when she acquired the car neither it (or W) informed her that the car had previously been used as a taxi and for this she wanted to be fairly and reasonably compensated. In support of her complaint Miss B provided BMFL with a copy of the check undertaken by M.

In February 2023 BMFL issued Miss B with a final response letter (“FRL”). Under cover of this FRL BMFL informed Miss B that it wasn’t upholding her complaint.

Unhappy with BMFL’s FRL Miss B referred her complaint to our service.

Miss B’s complaint was considered by one of our investigators who came to the view that it shouldn’t be upheld. In summary they said that they were satisfied that there had been no misrepresentation by BMFL (or W).

## **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 can confirm that I’ve come to the same outcome as the investigator and for the same reasons. There is also very little I can usefully add to what has already been said.

A misrepresentation is a false statement of fact that induces a consumer to enter into something that they wouldn’t have entered into otherwise. And as pointed out by the investigator, in very limited circumstances, a misrepresentation can also be an omission of a fact. In other words, where something hasn’t been said that should have been.

Miss B accepts that she wasn't advised by BMFL (or W) that the car hadn't previously been used as a taxi. I've also seen a copy of the original advert that also doesn't say that the car hadn't previously been used as a taxi. So, I'm satisfied that there was no false statement of fact by BMFL (or W). So, I've gone on to consider whether by omitting to say the car had previously been used as a taxi constitutes a misrepresentation by BMFL (or W).

Although a dealership might make enquiries into a car before selling it, these checks are for its benefit, not the potential purchaser's benefit. However, I would expect that anything a dealership discovered on making its own checks that might have a bearing on a consumer's decision to purchase the car in question be shared with them.

I've looked at the checks undertaken by W (and M). Now it's clear that M undertook more, or different, checks than W. But that doesn't mean W did anything wrong. And having looked at the checks W undertook I'm satisfied that these revealed nothing that should have, as a matter of fairness, been shared with Miss B about the car's previous use. I would also add that when buying something like a car there is an expectation that the buyer makes their own enquiries to satisfy themselves of the car's history and price, especially when the advertisement says:

*"Every effort has been made to ensure the accuracy of the information [contained in this advert]. However, errors may occur."*

I appreciate Miss B will be disappointed, especially given that she has since sold the car for less than she was hoping for. But I'm satisfied, in the particular circumstances of this case, that there has been no misrepresentation by BMFL (or W).

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 14 August 2023.

Peter Cook  
**Ombudsman**