

The complaint

Miss W complains of issues with a car she acquired through a Hire Purchase Agreement with Secure Trust Bank Plc (Secure Trust). She would like her initial complaint upheld, and to be reimbursed for her financial losses.

What happened

Miss W says she took out a Hire Purchase Agreement with Secure Trust in July 2021. She says she is unhappy that she wasn't allowed to choose a car from a dealership of her choice and says she agreed to a car that was outside of her budget.

She says she took delivery of the car it wasn't as per the photos she had seen so she wanted to return it. She says she didn't get a reply to her request.

Since then, she says the car has had a recurring fault which was repaired once under warranty but a second time she had to pay £457.09 which she would like refunded. She says the car has since broken down again.

Secure Trust said it understood the initial points Miss W raised – scratches and marks on the car along with a crack in one of the headlights leading to water ingress were repaired. At this point her complaint was closed although it acknowledged due to an administrative error the broker who Miss W put her complaint into didn't advise her of this but did offer Miss W £100 compensation.

It noted repairs in September 2021 to the coolant housing and a replacement sensor were not evidenced as point of sale issues for which it was responsible.

Our investigator didn't uphold Miss W's complaint. He noted the broker accepted it didn't respond to Miss W's initial complaint in the timeframe intended. However, he found the initial faults with the car were cosmetic. He found no evidence of an issue with the car in September 2021, and the repairs in March 2022 were for serviceable items and not ones that supported an issue of car quality at the point of sale.

Secure Trust accepted our investigator's view but Miss W didn't. She provided an invoice for work completed in September 2021 which our investigator considered but didn't change his view. He felt the items listed were serviceable items which Secure Trust had addressed under the one right of repair it had. He noted the ECU unit, an issue in September 2021, needed replacing in March 2022 but didn't find this unusual for a car the age and mileage of Miss W's.

Miss W didn't accept this further view. She said the recurring fault with the ECU happened 35 days after she got the car but continued to be a problem.

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 appreciate Miss W's frustration . She has told us she incurred a bill for work to her car for £457.09 which she feels she shouldn't have to pay. And she has also told us the car has since broken down again.

Miss W has made some comments about the purchase of the car that I think relate to the service provided by the broker. This complaint is against the provider of the finance not the broker so I can't really comment on any issues that arose with the broker other than to make a general comment that Miss W could have looked to get finance elsewhere if she wasn't happy with the range of cars on offer.

With regard to issues with the delivery of the car I have no evidence of these. But any such issues aren't relevant to whether the car was fit for purpose at the point of sale or not.

Miss W has also raised the fact that the broker didn't respond to her initial complaint. I do think its relevant I consider this as at this point Miss W says she asked to reject the car and Secure Trust has investigated this. From the information I have seen it seems Miss W's complaint was logged on July 30, 2021. The broker couldn't find any evidence Miss W asked to reject the car and the supplying dealership said Miss W wanted to keep it. However, the broker apologised for not contacting Miss W to confirm this and to say it was closing her complaint. I understand it also offered £100 compensation.

As I have no evidence that in July 2021 Miss W asked to reject the car immediately she got it, and issues such as scratches and a broken headlight wouldn't make the car of unsatisfactory quality at the point of sale.

As Miss W took out an agreement for an eight-year-old car with 77,900 miles on the clock when she got it she might reasonably expect more wear, tear, and repair issues with a used car than with a new one. Having said that we do expect cars to be fit for purpose at the point of sale

When issues arise within the first six months its usually down to the business to investigate and if appropriate to resolve. When issues arise after six months its usually down to the consume to show there is a point-of-sale issue for which the business is responsible.

From the information I have it seems repairs were carried out in July and September 2021. I would class items such as replacement brake pads, a brake light, thermostat housing and a temperature sensor as serviceable items that might be expected to be repaired or replaced on a used car. These items wouldn't make a used car of unsatisfactory quality at the point of sale. The work in September 2021 included reading of ECU fault codes and resetting the ECU. The invoice doesn't state the ECU was repaired or replaced.

In March 2022 some eight months after Miss W had the car repairs to the total of £457.09 were carried out - the issues identified here again seem to me to be serviceable items that might reasonably be expected to be replaced such as the coolant hose and the exhaust front pipe. However, the invoice supplied indicates a fault with the ECU and a recommendation it is replaced. There is no comment made as to whether this would have been a point-of-sale issue or not.

For me to ask Secure Trust to refund Miss W the costs she has incurred I would need to be persuaded there was a point-of-sale issue for which it is responsible unfortunately I don't feel I have that evidence. The work carried out up to and including September 2021 seems to be items that might be expected to be replaced in a used car. The note re the ECU in September 2021 doesn't state anything was needed other than the resetting of the ECU.

By March 2022 when it seems the ECU needed replacing Miss W had had the car for more than six months so at this point the onus was on her to prove a point-of-sale issue for which

Secure Trust was responsible for example by way of an independent inspection. Whilst I am sympathetic to Miss W's situation I don't think she has evidenced a point-of-sale issue for which Secure Trust is responsible. So, on that basis I can't reasonably ask Secure Trust to reimburse her costs as Miss W would like.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 31 July 2023.

Bridget Makins
Ombudsman