

## **The complaint**

Mr B complains that a car he took on finance from MotoNovo Finance Limited was not of satisfactory quality. He says that he expected it to be repaired under warranty.

## **What happened**

In September 2019 Mr B entered into a four-year hire purchase agreement with MotoNovo. The car which was the subject of the agreement was around three years old and had covered a little over 23,500 miles from new.

In June 2021 Mr B said he noticed a knocking sound from the engine. Further inspection indicated that the timing chain needed replacement. Mr B sought to have the chain replaced under warranty, but the warranty provider said that the car had not been serviced in accordance with the manufacturer's recommendations. One service had been carried out five months later than it should have been, and so the warranty was invalid.

Mr B said he had been assured that the car came with a service history and so the warranty should have been valid. The dealership that supplied the car said that he had been told only that the service history was provided – not that the car had a full service history. MotoNovo did not accept that it was liable for the repairs needed or that there had been anything wrong with the car when it was provided to Mr B.

Mr B referred the matter to this service. The investigator broadly agreed with Mr B and recommended that MotoNovo accept the return of the car. MotoNovo did not accept the investigator's recommendations and asked that an ombudsman review the case.

I did that and issued a provisional decision. I did not accept that Mr B had been told that the car was supplied with a valid warranty. He had been told that it was supplied with a service history, but that meant only that it had the necessary paperwork so that he could check what services had been carried out and when. In fact, the car had not been serviced fully in line with the manufacturer's recommendations, and the warranty was not therefore valid.

It was however a term of the hire purchase agreement that the car would be of satisfactory quality. The car's timing chain had failed very much sooner than might usually expected. Whilst that was not necessarily proof that the car was not of satisfactory quality at the point of supply, I thought it was quite persuasive.

I did not however think that this meant that Mr B should be able to return the car and end the finance agreement. He had already used the car to drive around 15,000 miles. I thought it would be fair for MotoNovo to meet the costs of repair.

MotoNovo did not reply to my provisional decision. Mr B said that he thought a repair was not an appropriate remedy. He could not be sure the car would not develop further faults in the future. He said too that his use of the car had been impaired because of the fault.

## **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, however, I have not changed my view about the complaint. There is no reason at present to think that a repair cannot be completed successfully. And, whilst I note what Mr B says about the possibility of future problems, the same could be said of any item that needs repairing. I don't think it would be right to proceed on the basis that there will be future issues with the car; rather, I should assess the complaint on the basis that future problems can be addressed if and when they arise.

Overall, I think that it would be disproportionate to allow Mr B to reject the car and that a repair is a more appropriate remedy.

### **My final decision**

For these reasons my final decision is that, to resolve Mr B's complaint in full, MotoNovo Finance Limited should:

- arrange for the car's timing belt to be replaced at no cost to Mr B; or
- reimburse Mr B for the cost of replacing the timing belt, should he choose to arrange the repair himself; and
- pay Mr B £200 in recognition of the inconvenience to which he has been put.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 March 2022.

Mike Ingram

**Ombudsman**