

## **The complaint**

Mr B complains that a van that was supplied to him under a hire purchase agreement with MotoNovo Finance Limited wasn't of satisfactory quality.

## **What happened**

A used van was supplied to Mr B under a hire purchase agreement with MotoNovo Finance that he electronically signed in October 2020. He complained to the dealer about some issues with the van because it had broken down and then had it recovered to a specialist garage and paid £900 for it to fit a new mechatronic body to the van in December 2020. He paid another £900 to that specialist garage in April 2021 for it to fit a new clutch and reset the mechatronic.

He complained to MotoNovo Finance about the issues with the van in May 2021 but it said that the unauthorised repairs had removed the ability of an engineer to determine if the issues would have been present or developing at the point of purchase so it was unable to uphold his complaint. Mr B wasn't satisfied with its response so complained to this service.

Our investigator recommended that his complaint should be upheld. She said that she had enough evidence to persuade her that the van was likely not of satisfactory quality when it was supplied and she thought that it would be fair if MotoNovo Finance covered the cost of the repair to the mechatronic (but not the cost of the repair to the clutch) and the recovery charge that he incurred (with interest). She also recommended that MotoNovo Finance should pay him £150 compensation for the distress and inconvenience that he'd experienced.

Mr B has accepted those recommendations but MotoNovo Finance has asked for this complaint to be considered by an ombudsman. It says, in summary, that an independent report was needed on the issues with the van but it wasn't in a position to now instruct one as the repairs were completed by the customer.

## **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 agree with the outcome recommended by our investigator for these reasons:

- MotoNovo Finance, as the supplier of the van, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr B - whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the van and the price that was paid for it;
- the van that was supplied to Mr B was nearly seven years old, had been driven for 100,200 miles and had a price of £8,245;

- satisfactory quality also covers durability which means that the components within the van must be durable and last a reasonable amount of time – but exactly how long that time is will also depend on a number of factors;
- Mr B says that the van broke down less than two months after it was supplied to him so he contacted the dealer but then paid for the van to be recovered to a specialist garage - he paid £900 for it to fit a new mechatronic body to the van in December 2020 - the repair invoice shows that the van's mileage was 101,631 at that time so Mr B had only driven the van for about 1,400 miles;
- although the van was about seven years old and had been driven for more than 100,000 miles, I don't consider that it's reasonable to expect a van that cost £8,245 to need such major repairs only two months after it had been supplied and when it had only be used to drive another 1,400 miles;
- the specialist garage told our investigator that the mechatronic should last the lifetime of the van and I'm not persuaded that an independent expert's report about the issues with the van is required before I can uphold Mr B's complaint;
- I consider it to be more likely than not that the van wasn't as durable as it was reasonable for Mr B to expect it to be and for that reason I find that the van wasn't of satisfactory quality when it was supplied to him;
- I find that it would be fair and reasonable for MotoNovo Finance to pay £900 to Mr B to reimburse him for the cost of that repair and to also reimburse him for the cost of the recovery of the van to the specialist garage (but he'll have to provide evidence showing the amount that he paid) – and I also find that it should pay interest on those amounts;
- Mr B paid another £900 for the van's clutch to be replaced in April 2021 but our investigator thought that it was reasonable to expect that a clutch on a van with this mileage was likely to require replacing at some point so she didn't recommend that MotoNovo Finance should reimburse Mr B for the cost of the clutch repair – which he accepts – and I'm not persuaded that it would be fair or reasonable in these circumstances for me to require MotoNovo Finance to reimburse him for that cost; and
- these events have clearly caused distress and inconvenience for Mr B and I find that it would also be fair and reasonable for MotoNovo Finance to pay him £150 to compensate him for that distress and inconvenience.

### **Putting things right**

I find that it would be fair and reasonable for MotoNovo Finance to take the actions described above and set out below.

### **My final decision**

My decision is that I uphold Mr B's complaint and I order MotoNovo Finance Limited to:

1. Pay £900 to Mr B to reimburse him for the repair costs that he incurred in December 2020.
2. Reimburse Mr B for the recovery costs that he incurred if he provides it with evidence of those costs.
3. Pay interest on the amounts at 1 and 2 above at an annual rate of 8% simple from the date of each payment to the date of settlement.

4. Pay £150 to Mr B to compensate him for the distress and inconvenience that he's been caused.

HM Revenue & Customs requires MotoNovo Finance to deduct tax from the interest payment referred to at 3 above. MotoNovo Finance must give Mr B a certificate showing how much tax it's deducted if he asks it for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 June 2022.

Jarrold Hastings  
**Ombudsman**