

The complaint

Mr L complains about a car supplied under a hire agreement provided by Ald Automotive Limited.

What happened

In February 2021 Mr L acquired a new car under a hire agreement with Ald. The agreement was taken over 36 months with monthly payments of £217.54.

In March 2022 the car broke down and needed to be recovered. At this point the car had covered around 12,000 miles. It was taken to a manufacturer's garage who after investigating said that the clutch and flywheel needed to be replaced. The garage quoted Mr L £2,075.70 to repair the car.

Mr L was unhappy with this and complained to Ald as well as making our service aware of the issue. Ald then issued a final response and said it wasn't upholding the complaint. It said the garage thought the fault was down to how Mr L had driven the car.

Our investigator issued an opinion and upheld the complaint. He said, in summary, that he hadn't seen any evidence the fault was due to Mr L's driving style. And he thought the car wasn't reasonably durable when it was supplied.

Our investigator said Ald should arrange for the car to be repaired at no cost to Mr L. He said Mr L should get back the monthly repayments from the time he couldn't use the car. And he said Ald should pay Mr L £300 to reflect what happened.

Ald disagreed. It said any repairs are Mr L's responsibility. And it said the garage confirmed the issues were due to driving style.

Mr L got in touch and said he'd got many years of driving experience and had been rewarded by a separate business for his use of other hire cars.

The case has now been passed to me to decide.

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 think this complaint should be upheld. I'll explain why.

Mr L complains about a car supplied under a hire agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr L's complaint about Ald.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – Ald here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person

would expect – taking into account any relevant factors.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description.

The car Mr L acquired was brand new. So, I think a reasonable person would expect it to be free from even very minor faults, and would expect trouble free motoring for a significant time.

What I need to consider here is whether the car was of satisfactory quality or not when it was supplied to Mr L.

It isn't in dispute here that the car developed a fault where the clutch failed, and I've seen an estimate from March 2022 for its repair.

I've carefully considered this. The clutch failed not far past a year after Mr L got the car. And it had covered around 12,000 miles. I'm satisfied a reasonable person would expect a clutch to last much longer than this. Thinking about this, it seems the clutch wasn't durable.

The crux of this complaint is that the garage and Ald say this issue was caused by Mr L's driving style. I've very carefully thought about this. But, I've seen very little evidence to back this claim up. The only reasoning I can see for this opinion is that there wasn't any other damage to the car when it was inspected.

Mr L has pointed out before getting this car he had a previous lease with another manufacturer and said the car didn't have any mechanical issues for over three years. And he's told us he has many years of driving experience and has never caused a clutch to fail.

Thinking about everything here, I haven't seen enough to persuade me that the clutch failed due to Mr L's driving style. It follows I'm satisfied the car wasn't reasonably durable when it was supplied. And I'm satisfied this means it was not of satisfactory quality.

So, I need to consider what would be reasonable to put things right for Mr L.

Ald say it isn't responsible for any repairs. But I disagree here. The CRA explains Mr L has a right for the car to be repaired – and as the supplier of the car this is Ald's responsibility. So, it should arrange for this to be done at no cost to Mr L.

Mr L also hasn't had use of the car since 28 March 2022. I don't think it's reasonable he's been paying for a car he can't use. So, Ald should reimburse all of Mr L's repayments from this point until the car is repaired.

I also think Mr L has suffered distress and inconvenience here. He's been without a car for some time. And it must have been upsetting for the car to fail at the point it did. I agree with our investigator that £300 is fair and reasonable to reflect this.

My final decision

My final decision is that I uphold this complaint. I instruct Ald Automotive Limited to put things right by doing the following:

- Arrange for the car to be repaired as soon as possible at no cost to Mr L
- Reimburse all payments under the agreement from 28 March 2022 until the car is repaired*

- Pay Mr L £300 to reflect the distress and inconvenience caused
- Remove any adverse information about the account from 28 March 2022 from Mr L's credit file

*These amounts should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If Ald considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr L how much it's taken off. It should also give Mr L a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue and Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 13 October 2022.

John Bower
Ombudsman