

The complaint

Mr O complains about the quality of a car he has been financing through an agreement with Advantage Finance Ltd (who I'll call Advantage).

What happened

Mr O took receipt of a used car in April 2021. The car was about four and a half years old and had already completed about 30,663 miles. He financed the deal through a hire purchase agreement with Advantage.

In August 2023 the car broke down. Mr O organised an independent inspection of the vehicle and the inspector noted that the timing chain had degraded, broken up, and clogged up the oil delivery to the engine. The engine would need replacing. The inspector said the manufacturer expected timing belts to be replaced every ten years or 120,000 miles. He noted this belt had failed at 47,000 miles and he concluded that was premature and the car hadn't, therefore, been suitably durable.

Advantage organised their own independent inspection. In October 2023, their inspector reviewed photographs of the damage and came to the same conclusion as Mr O's inspector; that the engine had failed because it had been starved of oil and the oil starvation was the result of blockages caused by fragments of the degraded timing belt. However, it was that inspector's view that the belt had been suitably durable. He didn't think Mr O would have been able to cover the 17,000 or so miles he had been able to, or to have been able to drive the car without incident over about two years if the belt was failing when the car was supplied to Mr O.

Advantage therefore rejected Mr O's complaint and our investigator agreed with them. In October 2023 Mr O agreed to voluntarily terminate his agreement and he handed the car back to Advantage.

Mr O wasn't happy with their views so he asked for his complaint to be considered by an ombudsman. He provided copies of decisions this Service had made in what he said were similar circumstances and in which we had upheld complaints. He said his inspector had been able to complete a physical assessment where Advantage's hadn't and he said that the car shouldn't have been provided to him in a poorly serviced condition. He suggested the belt had failed prematurely.

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 know it will disappoint Mr O and I was very sorry to hear about the difficulties he's been experiencing, but I don't think Advantage have been unreasonable here. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr O acquired his car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

The Consumer Rights Act (2015) is the relevant legislation. It says that the car should have been of satisfactory quality when supplied. If it wasn't then Advantage, who are also the supplier of the car, are responsible. The relevant law also says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. That legislation says that we should take into account whether goods have been durable when we consider satisfactory quality.

In a case like this which involves a car the other relevant circumstances would include things like the age and mileage at the time the car was supplied to Mr O. The car here was about four and a half years old and had completed 30,663 miles.

An old car with a high mileage will not be expected to be as good as a newer car with a low mileage, but it should still be fit for use on the road, in a condition that reflects its age and price.

I've not seen any evidence that this car was advertised as having a full service history. The service book list services when the car first took to the road in 2016, and when it had covered 20,465 miles in August 2019. A lubrication service was completed before Mr O took receipt of the car in April 2021. The manufacturer expects services on this car to be completed every 12,500 miles or 12 months. So, the car hadn't been serviced in line with the manufacturer's recommendations and I don't think it's likely any promises were made to Mr O that it had.

Research suggests the manufacturer recommends changing the timing belt on this engine every 150,000 miles or ten years. So, it would appear that the belt had deteriorated prematurely. I've therefore considered whether the premature degradation could fairly be attributed to the failure to service the car within the recommended guidance.

The independent inspector who looked at the car in October 2023 provided some reasons why a belt might fail prematurely. Amongst those reason he said dampness could cause timing belts to degrade and he explained:

"Dampness penetration can be caused for multiple reasons anything from a breach of the cylinder head gasket allowing engine coolant to enter the crankcase, dampness penetration of the engine oil in the crankcase can also be induced by poor engine breathing engine condensation within the crankcase, the poor engine breathing normally been associated with the vehicle not been serviced as per manufacturers recommendations."

It's unclear whether this was the cause of the belt failure Mr O experienced but as the car hadn't been adequately serviced and as a failure to adequately service the car could reduce the durability of the timing belt, I don't think Advantage were unreasonable not to uphold Mr O's complaint.

It seems from the expert evidence, that a car not serviced to the manufacturer's recommended intervals could experience premature timing belt failure and in those circumstances, as Mr O hadn't been promised a fully serviced car, it is reasonable to suggest the belt failed within expectations.

Mr O has provided other decisions that this Service has published that he says support his claim. But the circumstances of all complaints vary, and I've not therefore been persuaded to take those complaints into account.

It's clear that Mr O's inspector was able to complete a more detailed investigation than Advantage's was. But I don't think the inspectors were in dispute over the cause of the engine failure. They only disagreed on whether the failure was premature, in the circumstances. And those opinions were derived from the same facts. I don't, therefore, think the depth of the investigation is a reason to conclude one inspector's view was better than the others.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 22 April 2024.

Phillip McMahon
Ombudsman