

The complaint

Mr C complains about the quality of a car he has been financing through an agreement with RCI Financial Services Limited (RCI), trading as Mobilize Financial Services.

What happened

Mr C took receipt of a used car in May 2021. He financed the deal through an agreement with RCI. The car was about two years old at the time and had completed about 22,461 miles.

Mr C had problems with the car in October 2023. It wouldn't start, and the engine made a loud noise. The car was recovered to the supplying dealership where they noted that the oil level was very low and that there was internal damage to the engine. The car hasn't been driven since as RCI have refused to pay for repairs.

Mr C referred his complaint to this service, but our investigator didn't support his claim. Mr C has, therefore, asked for a final decision by an ombudsman.

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 C, but I'm not upholding this complaint. 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 C 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 RCI, 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. The relevant legislation also explains that when we consider whether goods are of satisfactory quality we should also consider whether they have been durable.

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 C. The car here was about two years old and had already completed about 22,500 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.

Mr C was able to drive the car trouble free for about a year and a half. He covered over 40,000 miles before it broke down. Given that, I think there is an onus on him to provide sufficient evidence that the car wasn't supplied in a satisfactory condition or that it was of an unsatisfactory condition when supplied as the engine hadn't proved durable. I'm not persuaded that he's been able to do that.

There's no dispute here that Mr C hadn't kept the car adequately serviced. I think that would be likely to reduce the life expectancy of the engine. The job card from the dealership suggests there was little to no oil in the car when it was inspected, and a heavy sludge build up. That seems consistent with a car that hadn't been adequately serviced. I note that Mr C disputes that finding. He's suggested that there was oil in the car, but he's provided limited evidence of that, and I'm not persuaded that was likely to be the case. Mr C has suggested his mechanic identified a fault code relating to the oil pressure sensor. That seems consistent with the dealership's finding that the oil pressure was low and that an oil pressure light was illuminated. I don't think it suggests there was a fault with the sensor, and even if I'm wrong about that, I don't think I have sufficient evidence that the engine failed because of a faulty sensor.

Mr C says that he was never provided with the car's service records and that he wasn't reminded that a service was due. He's explained that there was no service light warning. The manufacturer's guidelines explain that services are due every 10,000 miles. Given the significant mileage Mr C had completed I think it should have been clear to him that a service would be due. There was no requirement for the business to remind him of that, and even if the service light wasn't working (and I make no finding about that as I have limited evidence) I think it would have been clear that a service must be due.

Ultimately, as the car hadn't been serviced within the manufacturer's guidance and as oil levels hadn't been maintained, I don't think it would be fair to conclude that this engine hadn't proved durable. And I don't think I have sufficient evidence to suggest the engine was faulty when it was supplied to Mr C as I think it unlikely he would have been able to complete over 40,000 miles in it if that was the case.

Mr C has provided a copy of a recall notice issued by the manufacturer in February 2024. That explains that they have discovered that a mesh filter may become blocked and cause insufficient oil supply. In those circumstances they explain that a vacuum pump may fail, and braking distance may be extended. I've not seen evidence that Mr C's car experienced this problem and, even if it did, the recall notice explains it would affect the brakes and it doesn't suggest that it would result in engine failure. I'm not, therefore, persuaded that the recall notice suggests this car was supplied in an unsatisfactory condition.

I understand that Mr C is unhappy about the service he received from the dealership. That's not something that I can fairly hold RCI responsible for and Mr C will, therefore, need to raise that complaint directly with the dealership.

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 C to accept or reject my decision before 5 November 2024.

Phillip McMahon
Ombudsman