

The complaint

Mr T complains about a car supplied to him using a hire purchase agreement taken out with MotoNovo Finance Limited (“MotoNovo”).

What happened

In April 2023, Mr T acquired a used car using a hire purchase agreement with MotoNovo. The car was over four years old, the cash price of the car recorded on the agreement was £10,898, the agreement was for 49 months, made up of 48 regular, monthly repayments of £233.52, followed by a final payment of £4,357.25, which included a £1 option to purchase fee. The deposit recorded on the agreement was £93.42. The mileage of the car recorded on the agreement was 56,095 miles.

Mr T said he complained about several issues with the car in September and October 2023. Issues Mr T identified related to the car’s fuel injector, warning lights appearing on the car’s dashboard and an engine failure hazard, among other things. Mr T said that the supplying dealership told him to refer the issues to his warranty company.

Mr T explained that he wanted assistance with a check, a repair, or replacement of the car. Mr T believed he informed the supplying dealership of issues with the car within six months from the point of supply.

In November 2023, Mr T was told by the supplying dealership that although issues were raised within six months of the point of supply, based on the mileage completed on the car, they were unable to help him. They concluded that the car was roadworthy at the point of sale as they didn’t believe it would have been able to cover the miles it had, if it did have a fault at the point of supply.

Mr T complained to MotoNovo in December 2023. Unhappy with how long it was taking MotoNovo to provide their final response to the matter, Mr T referred his complaint to our service in January 2024.

In February 2024, an independent engineer’s inspection was completed on the car to determine whether it had any faults with it. The mileage recorded on the inspection report was 61,675 miles. Comments from the report explained that the car immediately started to misfire when it was turned on with error lights appearing on the car’s dashboard, such as the Engine Management Light (“EML”). It went on to explain that further investigation was required to understand the root cause of the faults found and given that seven months had passed from the point of supply, and it had been driven more than 5,000 miles, the engineer concluded the faults would not have been present or developing at the point of supply.

Mr T believed there were issues with the car which were not commented on in the inspection report, such as an error which appeared on the car’s dashboard relating to the fuel injection as well as petrol fumes coming from the engine area, suggesting there was a fuel leak.

During our investigation, MotoNovo provided their final response to Mr T where they explained they didn’t uphold his complaint. In summary, they explained they relied on the

findings of the inspection report as it didn't suggest faults were present or developing at the point of supply.

Mr T also informed our service that he was now looking to have repairs carried out by his warranty company before his warranty expired.

Our investigator didn't uphold the complaint. In summary, he concluded that it was likely there was a fault with the car. But he didn't think the faults were present or developing at the point of supply.

Mr T disagreed with the investigator's findings and provided a thorough response as to why he disagreed. Amongst other things, Mr T supplied further documents, some of which confirmed faults with the car which had already been established. And also documents which confirmed there was a fault relating to a fuel leak and that four fuel injectors needed to be replaced.

Mr T also questioned the validity of the independent inspection report carried out. Amongst other things, Mr T said it failed to diagnose the fuel leak. Mr T didn't believe this to be a wear and tear item as it should last the lifespan of the car.

As Mr T disagreed with the investigator's findings, the complaint was 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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr T complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr T's complaint about MotoNovo.

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 – MotoNovo 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. The CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note that the car Mr T acquired was used, over four years old, had been driven around 56,000 miles and cost under £11,000. I think a reasonable person would accept that it would not be in the same condition as a new car and was likely to have some parts that are worn.

What I first need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

I don't think it is in dispute there is a fault with the car. I say this because both Mr T believes there is and MotoNovo also acknowledged in their final response that the car had a fault. But for completeness, I have considered the independent engineer's inspection report. It said a diagnostic check was carried out on the car and it found several faults and that further investigation would be required to ascertain the root cause of the faults found. It later said:

"In our opinion based on the visible evidence we would conclude that a misfire was detected. Warning lights were illuminated on the instrument panel. A warning message of 'check anti-pollution system' was evidence via a message on the instrument panel and the faults were evidence via the recorded faults on the diagnostic machine..."

... we are able to confirm the fault of warning lights illuminated on the instrument panel, engine fault and the heater motor fault, all evident by diagnostic fault codes...

... and there was a fault evident via a misfire..."

Considering the above, while I think a further investigation was required to establish the cause of the issues experienced, I'm satisfied that there likely was a fault with the car.

Mr T has explained that the inspection carried out didn't identify all the issues he had experienced, for example, an error message appearing on the car's dashboard in relation to fuel injection. I appreciate Mr T's comments here, but I did note that the report said *"we are able to confirm the fault of warning lights illuminated..."*, which I have inferred to mean multiple warning lights. So, while it isn't clear, it may also have been in relation to the issue Mr T says he experienced. But in any event, I have seen photos of this error message appearing on the car's dashboard. And since the inspection, Mr T has explained a later diagnosis confirmed four injectors needed to be replaced. So, I'm also satisfied there is likely a fault in relation to the car's fuel injection system as well.

Was the car of satisfactory quality at the point of supply?

The inspection report

To be clear, I'm not an expert mechanic. So in order to make a finding on this matter, I need to rely on the evidence I have in front of me. Within the inspection report carried out, it said:

"... given that seven months have passed since the purchase date to the failure date, with no failure miles recorded and the mileage now being over 5,000 miles since purchase then we would deem this not present or developing at the point of sale..."

We can confirm that the faults presented at the time of our inspection would not have been present at the point of sale...

We can confirm that the faults present were developing after the point of sale.

We can confirm that the vehicle, in our opinion, has been durable but we regard this as a maintenance issue not a durability issue with the engine."

I have inferred from the comments above that the engineer who carried out the inspection concluded that he didn't think the faults with the car were there at the point of supply, due to the mileage covered in the car and the time that has passed.

Mr T believes that the inspection report was wrong to conclude that the mileage completed on the car means that the faults are wear and tear or maintenance issues. However, I disagree.

I'm persuaded by the comments made in the inspection report, which has been carried out by a qualified engineer. I have no reason to doubt the details in the report. And haven't been provided with any conclusive evidence to contradict its findings. So, I think it's likely issues such as those described by Mr T and diagnosed through fault codes would have likely presented themselves much sooner, and within much less miles travelled, had the faults have been present or developing at the point of supply.

Fuel injector fault

Turning my attention now to the fuel injectors specifically, which was later diagnosed, after the independent inspection carried out.

Like any other component in a car, it is subject to wear and tear damage. While it is intended that no part should fail, they can. A manufacturer cannot be expected to provide an indefinite guarantee against a component part failure.

The criterion is "durability" not "duration". Whether something is durable is linked to whether it is defective at the point of supply. If something is not durable, that is, it doesn't last as it is expected to, then it is indicative of something being inherently wrong with it. The defect will, therefore, have been present or developing at the point of supply.

In this instance, I think it is reasonable to expect that problems might occur when a car reaches the age and mileage it has. While Mr T has supplied information to suggest injectors should last between 80,000 and 100,000 miles, I also completed a general search online and found some instances where it said an injector typically lasts 60,000 to 100,000 miles. But ultimately, I haven't been supplied with any evidence to show the fuel injectors were faulty at the point of supply.

So, considering the above, I'm not persuaded that the car was of unsatisfactory quality as I don't think the faults with it were present or developing at the point of supply.

Did Mr T tell the supplying dealership of issues with the car within six months?

Mr T has repeatedly explained that issues with the car first appeared within six months from the point of supply, which he believes means he is entitled and eligible for the car to be repaired at MotoNovo's expense. Mr T says he informed the supplying dealership of issues with the car as early as September 2023.

From correspondence and contact notes that I have seen, I don't dispute that Mr T informed the supplying dealership of issues he experienced within six months. But, this doesn't automatically mean that MotoNovo as the lender are responsible for repairing the car. The CRA says:

"(14) For the purposes of subsections (3)(b) and (c) and (4), goods which do not conform to the contract at any time within the period of six months beginning with the day on which the goods were delivered to the consumer must be taken not to have conformed to it on that day."

(15) Subsection (14) does not apply if—

(a) it is established that the goods did conform to the contract on that day...”

The important distinction here is Subsection 15, where it explains that goods will be considered to conform to contract if it can't be established that they did not conform to the contract on the day the goods were delivered. In other words, if it can't be established that the faults were present or developing at the point of supply, then it is assumed that the goods did conform to contract and are of satisfactory quality.

In summary, I don't think MotoNovo needs to do anything in relation to this complaint.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require MotoNovo Finance Limited to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 21 March 2025.

Ronesh Amin
Ombudsman