

## **The complaint**

Mr S complains that the car he acquired through MotoNovo Finance Limited (“MFL”) wasn’t of satisfactory quality. He wants MFL to fairly and reasonably settle his complaint and repair the car.

## **What happened**

Mr S entered into a hire purchase agreement in October 2023 to acquire a used car. The cash price of the car was £8,990, and the total repayable was £11,407.72, and was to be repaid through the credit agreement which was set up over a 48-month term with monthly payments of £237.64. At the time of acquisition, the car had already been driven more than 53,000 miles and was more than 10 years old.

Mr S told us:

- He’s had a number of issues with the car including the fact that the windscreen fluid levels quickly reduce; the car jerks when being driven; and the oil management warning light keeps illuminating – even after he’s topped up the oil;
- he raised a complaint with BFL, but it took some time for an independent inspection to take place, when he had been told this would be booked immediately;
- he wants MFL to pay for repairs to the car.

MFL rejected this complaint. It said it hadn’t seen any evidence that the problems with the car were present or developing at the point of supply. It explained that an independent inspection had concluded that the car was durable; and that based on the date of supply and the mileage driven by Mr S, there was no evidence that these issues were present or developing at the point of supply. It said the car had covered sufficient mileage for any faults to have developed during this time.

MFL acknowledged that it could’ve instructed the independent inspection sooner, and it paid Mr S £100 in compensation.

Unhappy with MFL’s response, Mr S brought his complaint to this Service.

Our investigator looked at this complaint and said he didn’t think a complaint about the quality of the supplied car should be upheld. He said there was no dispute that there were faults with the car but – based on the independent inspector’s report – there was no evidence that these were present or developing at the point of supply. And he concluded that the car was not of unsatisfactory quality at the point of supply.

Mr S disagrees so the complaint comes 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 agree with our investigator – and I'll explain why.

I hope that Mr S won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Mr S should note, however, that although I may not address each individual point that he's raised, I have given careful consideration to all of his submissions before arriving at my decision.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mr S is a regulated consumer credit agreement this Service is able to consider complaints relating to it. MFL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mr S was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless MFL can show otherwise. But, if the fault is identified after the first six months, then it's for Mr S to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr S took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask MFL to put this right.

I don't think there's any dispute that Mr S has experienced some problems with the car. That has been well evidenced by his testimony and the findings of the independent inspection. But, whilst I accept that there have been issues with the car's oil consumption rate; the windscreen washer; and some jerking when the car is being driven, MFL would only be responsible for putting things right if I'm satisfied that these issues were present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mr S first acquired it.

The third party instructed by MFL to carry out an independent inspection of Mr S' car is a recognised and trusted expert in this arena. From reading its report, it's clear that it was provided with an accurate background that clearly set out the issues.

In their report, the engineer documented the reported conditions as "*The windscreen fluid keeps reducing quickly. The vehicle is jerking. The oil management light keeps coming on*".

And the engineer reported the following:

- "*We carried out an inspection to the above vehicle initially checking the oil and coolant levels, the oil was severely depleted the coolant level was correct*".

- *"We stated initially that we were unprepared to start the engine due to the depleted oil level however the owner then added around 1 .5 litres of oil to bring the oil to the correct level".*
- *"We drove the vehicle around 5 miles at speeds of up to 40mph and would confirm that intermittently a jerking was experienced and a hesitation in performance. At no stage during the road test did the oil light illuminate".*
- *"The windscreen washers operated satisfactorily at the time of our inspection. There was no evidence of any fluid loss, the actual fluid reservoir however was not visible due to its location".*

So, I'm satisfied that *some* of the faults that Mr S complained of are present and as he described. The exception being the issue he reported with the windscreen washers, which the engineer tested and reported as operating satisfactorily.

But the simple existence of the faults in themselves isn't enough to hold MFL responsible for repairing the car or accepting its rejection. The legislation says that this will only be the case if the fault was present or developing at the point of supply; the car supplied was not of satisfactory quality.

The independent report went on to address this, and the independent engineer made the following points:

- *"In the absence of any evidence of significant external oil loss we can only conclude that the engine is consuming a quantity of oil".*
- *"We would also confirm a slight hesitation and jerking when the vehicle was driven which would warrant investigation".*
- *"The oil light did not illuminate at the time of our inspection".*
- *"Based on the sale date and elapsed mileage since sale there was no reason to suggest that these conditions could be said to be present at sale. As the vehicle has covered sufficient mileage for the fault to have developed within that period...We note from the information provided in our instructions that the vehicle has...covered 15,941 miles since hire to the date of our inspection".*

The report concludes that *"There are no faults we consider to have been present since purchase... The faults are not related to unsuccessful repairs...In view of the elapsed time and mileage covered since there was no reason to suggest that these conditions were present or developing at sale or could be said to be the responsibility of the selling dealer...We consider the vehicle has been durable...There was no evidence to suggest that these conditions could be said to be present at sale or the responsibility of the selling dealer".*

So, on the basis that the faults were *not* present or developing at the point of supply, I can't say that the car was of unsatisfactory quality when it was supplied.

I've considered Mr S' comments and concerns about the timing of the independent inspection, but I don't think this makes a difference. I say this because the report makes no cautionary statements about the conclusions reached, or that a different conclusion may have been reached had the inspection been undertaken sooner.

The instruction of an independent inspection is what's required and expected of MFL in these circumstances. And in the absence of any other persuasive evidence to the contrary, I'm not persuaded that Mr S' car was of unsatisfactory quality when supplied. So, I can't hold MFL responsible for the problems Mr S has experienced with it.

I know Mr S will be disappointed with this decision, but I hope he understands why I've reached the conclusions that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 June 2025.

Andrew Macnamara  
**Ombudsman**