

## The complaint

Mr M complains that a car supplied to him under a hire purchase agreement by Secure Trust Bank Plc trading as Moneyway is of unsatisfactory quality.

## What happened

In March 2023, Mr M took out a hire purchase agreement with Moneyway for the supply of a used car. The cash price of the car, which was around eight years old and had travelled around 96,000 miles, was £15,337. Under the agreement, Mr M is to pay 59 monthly instalments of £378.50 and one monthly instalment, at the end of the term, of £388.50.

In May 2023, Mr M's car broke down and a motor engineer diagnosed a fault with the Diesel Particulate Filter (DPF). A repair was carried out by the supplying dealership in June 2023. I understand that, in September 2023, Mr M made his first complaint to Moneyway after he'd had a further problem with the DPF. He was concerned that, while in for repair, his car's mileage had increased by 400 miles and the DPF hadn't been replaced properly. Moneyway gave Mr M its final response in October 2023, upholding his complaint. It says the dealership accepted liability, completed the required repairs and offered Mr M £50 as a gesture of goodwill towards replacing the fuel that was used.

After this, Mr M says the car was running okay-ish but developed an issue with low oil pressure. He says a motor engineer he asked to look at the car said the DPF didn't look new. Mr M says he tried unsuccessfully to contact the supplying dealership about this. He says in the end his warranty company advised him to book the car in with a main dealership to see if it could find out what was wrong. But before this inspection could take place, in June 2024, Mr M's car broke down (and I understand his mileage at the time was around 114,000). The recovery company that attended the breakdown subsequently sent Mr M a letter describing the problems with the car as follows: *"crankshaft/big ends, binds/jams/stiff/seized, non-repairable: roadside repair not feasible recovery to garage"*.

Mr M then made his second complaint to Moneyway, saying the repair the dealership had carried out in June 2023 had failed and had caused his June 2024 breakdown. Moneyway didn't uphold Mr M's complaint. It said the evidence didn't show the problems with the car that caused the June 2024 breakdown were present or developing at the point of supply or were caused by failed repairs by the dealership in June 2023.

Unhappy with this outcome, Mr M referred his complaint to us. The investigator who looked at it didn't uphold it because she didn't think there was enough evidence to link the problems Mr M had when his car broke down in June 2024 with the repairs that were carried out in June 2023.

Mr M disagrees with our investigator. He says the dealership carried out a forced regeneration of the DPF, rather than replacing it, and this has weakened the engine – which he says has caused his most recent problems. Mr M also asked his breakdown company to do a further report on the cause of the breakdown and the patrol officer who attended has said the DPF was blocked and the engine was knocking severely.

So Mr M's complaint has come 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.

I've also considered the relevant law and regulations, any regulator's rules, guidance and standards, any codes of practice, and (if appropriate) what I consider was good industry practice at the time.

For reasons I'll explain, I've decided not to uphold Mr M's complaint.

Moneyway supplied Mr M with a car under a hire purchase agreement. This is a regulated consumer credit agreement, which means we can look at complaints about it against Moneyway.

The Consumer Rights Act 2015 (CRA) covers agreements such as Mr M's hire purchase agreement. Under it, there's an implied term that goods supplied will be of satisfactory quality. And the CRA says goods will be considered of satisfactory quality where they meet the standard that a reasonable person would consider satisfactory – taking into account the description of the goods, the price paid, and other relevant circumstances. I think in this case those relevant circumstances include, but are not limited to, the age and mileage of the car, the cash price and the durability of its component parts.

The CRA also says the quality of goods includes their general state and condition, as well as other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety and durability. Durability means the component parts of the car must last a reasonable amount of time.

When Mr M took possession of the car, it was around eight years old, had covered around 96,000 miles and had a cash price of just over £15,000. So I wouldn't have the same expectations of Mr M's used car as I would of one that was brand new. As with any car, there'll be ongoing maintenance and upkeep costs. Parts will naturally wear over time and it's reasonable to expect these may need to be replaced. In used cars, it's more likely parts will need to be replaced sooner or be worn faster than in brand new cars. So Moneyway wouldn't be responsible for anything that was due to normal wear and tear while the car was in Mr M's possession.

Mr M took possession of the car in March 2023 and there were repairs to the DPF in June 2023. Under the CRA, given the timeline, it's for Mr M to show the car wasn't of satisfactory quality either at the time it was supplied to him and/or following the repairs.

So, if I thought the car was faulty when Mr M took possession of it, or that it wasn't sufficiently durable (either at the time of supply or following the June 2023 repairs) and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Moneyway to put this right.

I have no doubt that Mr M's car had a fault in June 2024. Mr M describes his car as having broken down and the recovery company that attended the breakdown subsequently said the problem was a seized or jammed crankshaft or big ends and that the DPF was blocked.

What I think *is* doubtful, on the available evidence, is that the fault was caused by a failure resulting from the repairs in 2023. Mr M says the DPF in his car wasn't replaced at that time and that, instead, the supplying dealership performed a forced regeneration of the DPF. And

he says this has weakened the engine, causing the June 2024 breakdown. He says a brand new DPF wouldn't have blown the bottom of his engine and wouldn't have caused the ongoing issues he's been having.

I understand Mr M is firmly of the view that the current fault with his car has been caused by faulty repairs by the supplying dealership in June 2023, including that the DPF wasn't actually replaced then. And Mr M says the breakdown company and another motor engineer have told him as much. But Mr M hasn't given us any direct evidence from *any* motor engineer to say that the June 2024 faults were likely caused by the June 2023 repairs – or that the DPF wasn't new. And we do have a copy of an invoice from the supplying dealership saying the DPF was replaced at that time. I can see our investigator invited Mr M to get a report from an independent motor engineering expert into what caused the problems. But the report Mr M has sent us from his breakdown company doesn't link the undisputed fault with his car to the repairs the supplying dealership carried out.

I understand there are many reasons why a DPF can become blocked – short road trips at low speeds, the wrong oil, faulty fuel injectors, etc. Because of this, Mr M's testimony alone isn't enough to persuade me it's likely the fault Mr M's car developed – which happened a year after it had been repaired and when he'd travelled roughly 15,000 more miles in it – was caused because those repairs were faulty.

Overall, taking into account the car was of an age and mileage when one might reasonably expect various components – major and minor – to have reached the end of their operational life cycle, I'm not persuaded the faults with the car occurred as a result of it not being of satisfactory quality. Nor am I persuaded the faults occurred as a result of an ineffective repair in 2023.

### **My final decision**

For the reasons I've given, I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 January 2025.

Jane Gallacher  
**Ombudsman**