

## **The complaint**

Mrs M is unhappy with the car Arval UK Limited supplied her. Mrs M says the car had several issues since she took delivery, and she shouldn't continue to be liable for the costs of repair after the car was rejected.

## **What happened**

Mrs M signed into a hire agreement with Arval for a new car in August 2021 and the car was supplied in March 2022. The hire agreement required Mrs M to be responsible for the maintenance of the car.

In January 2024, Mrs M raised issues with the clutch of the car. This was looked at by the garage and concluded that the fault wasn't a manufacturing defect and won't be covered by the warranty. Mrs M says she accepted the cost of the repair under duress/protest. I can see that Arval made a goodwill gesture towards the repair which was equivalent to three months of the rental costs. Mrs M entered a payment plan with Arval to cover the remaining costs of this repair.

Mrs M had problems with the clutch again in May 2024 and the car was taken to the dealer for inspection. The dealer concluded that the fault with the clutch was due to the failure of a part installed during the last repair in January 2024. Mrs M requested to reject the car at this point and Arval accepted the request and waved the last rental payment. The car has been collected and the agreement has been terminated without any penalties to Mrs M.

Mrs M says after the clutch failed for the second time within such a short space of time following the initial repair, she stopped making her payments under the repayment plan for the initial repair. Mrs M says the car has had issues since it was supplied, and she queries how a new car which had travelled around 13,000 miles at the time should have problems with the clutch so soon. Mrs M doesn't believe she should be held liable for the payment of the cost of initial repair. She says Arval should have challenged the manufacturer on the conclusion that the fault wasn't covered on the warranty and the fact the fault reoccurred within such a short time strengthens that point.

When Mrs M complained to Arval, it referred to the findings of the garage about the cause of the fault and that it offered Mrs M a goodwill gesture which reduced the overall cost she had to pay. So, it didn't agree that she shouldn't be liable to complete her payment under the plan. It also said it accepted rejection of the car and gave Mrs M credit for one month's rental cost.

Unhappy with the response, Mrs M referred her complaint to the Financial Ombudsman Service where it was looked at by one of our investigators. Our investigator thought Arval had done enough and so didn't recommend that Mrs M's complaint be upheld. Mrs M disagreed and asked for an ombudsman to decide the case.

## **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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mrs M was supplied with a car under a regulated consumer credit agreement which means we're able to investigate complaints about it.

I've made my decision having fully considered the information provided by both parties. I want to assure the parties, if I don't mention every single point that's been raised, it's not because I haven't thought about it, it is because I'm going to concentrate here on what I consider is key to reaching a fair and reasonable outcome overall.

Arval has accepted rejection of the car and terminated the agreement. Mrs M's argument is that the fault which ultimately led to the rejection of the car is the same fault she's being held liable to pay for and she believes this is unfair.

So, the question here is whether Mrs M is being treated unfairly by being held liable for the cost of the initial repair of the clutch.

The information that has been provided shows that the initial fault was investigated by a garage and was confirmed not be a manufacturing defect. As it wasn't a manufacturing defect, it wasn't covered by the warranty. I don't think it is unreasonable for Mrs M to expect to cover the costs for a fault that is confirmed not to be covered by the warranty, especially as her agreement with Arval was for to take responsibility for the repair costs.

Mrs M says there was oil found on the flywheel which she says supports the point she shouldn't have to pay for it. However, the garage concluded that the failure of the clutch has been associated with wear and tear and I haven't seen any independent report from Mrs M or Arval that the fault was caused by a manufacturing defect or that it was present or developing at the time of supply. I'm also mindful that at the point of the initial fault, Mrs M had travelled over 10,000 miles and had the car for around 22 months. In accordance with the CRA there's a higher expectation on Mrs M in this circumstance to show the fault with the car had been present from supply.

I think Arval has been reasonable in the way that dealt with Mrs M here, it offered her a goodwill gesture of three months' worth of rental costs, I appreciate Mrs M says it should have challenged the manufacturer further but I can't see that it had evidence to do this, Mrs M hadn't provided any independent information about the fault and I don't think her opinion on the issue would have been enough to change the findings of the garage. The issue with the clutch failing the second time was directly linked to the failure of a component from the previous repair, there's nothing to say the second failure of the clutch was a direct result of the initial failure.

I appreciate Mrs M feels strongly about this and I understand her strength of feeling but I must base my decision on the facts of the case and what I think is fair and reasonable based on those facts.

Based on the facts, here I think Arval has done enough, and I won't be asking it to do any more. Ultimately the initial repair wasn't covered by the warranty and as the agreement required Mrs M to pay for maintenance it was fair that she covered the cost of the repair at the time. The second failure of the clutch happened due to an issue with the initial repair, and not because of the same fault as the first failure.

**My final decision**

For the reasons given above, I do not uphold this complaint or make any awards against Arval UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 25 March 2025.

Oyetola Oduola  
**Ombudsman**