

The complaint

Mr W is unhappy that a car supplied to him under a hire purchase agreement with Lendable Ltd trading as Autolend (Autolend) was of unsatisfactory quality.

When I refer to what Mr W or Autolend have said or done, it should also be taken to include things said or done on their behalf.

What happened

In January 2024, Mr W was supplied with a used car through a hire purchase agreement with Autolend. The car was first registered in March 2015 and the pre-delivery inspection record and MOT confirmed the mileage to be 90,844. The cash price of the car was £5,898 and he paid an advance payment of £153. The amount of credit was for £5,745 and the duration of the agreement was 60 months; with 59 monthly payments of around £152 and a final payment of around £155.

Mr W says the car started making a strange noise and broke down in March 2024. It was recovered by roadside assistance and taken to a garage, where the fault was diagnosed as a decayed timing belt and blocked oil pump. They quoted around £2,340 to repair the car.

Mr W complained to Autolend in April 2024 about the quality of the car, so they arranged for the dealership to carry out an inspection. The dealership thought the issue had been misdiagnosed by the other garage. They said the engine was running fine and the timing belt was in a serviceable condition considering the age and mileage of the car. However, they did find a fault with the clutch, a slight coolant leak and the car was overfilled with oil. They quoted around £1,067 for the required repairs.

In their final response, Autolend said the issues with the car were wear and tear related and not present or developing at the point of supply. Therefore, they don't believe they supplied Mr W with a car that was of unsatisfactory quality.

Our Investigator reviewed matters and asked Autolend to arrange an independent inspection. This took place in November 2024. The engineer found the timing belt to be in satisfactory condition, and said the clutch fault wouldn't have been present or developing at point of sale. Based on this, the Investigator thought the faults present were due to reasonable wear and tear, and didn't think Autolend had supplied Mr W with a car that was of unsatisfactory quality.

Mr W didn't agree. In summary, he said the car broke down only two months after he acquired it which has had a significant financial impact on him.

As no agreement has been reached, the matter has been 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've reached the same overall conclusions as the Investigator, and for broadly the same reasons.

I think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a reasonable outcome is. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've taken into account 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.

Mr W was supplied with a car under a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it. The Consumer Rights Act 2015 (CRA) covers agreements such as the one Mr W entered into. Under this agreement, there is an implied term that the goods supplied will be of satisfactory quality. The CRA says that 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 and the cash price. The CRA says the quality of the 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.

Mr W acquired a car that was used, nearly nine years old and had covered over 90,000 miles when he took possession of it. It had a cash price of £5,898. So, what would be considered satisfactory quality would be significantly different to if Mr W had acquired the same car brand new and at a greater cost. As with any car, there is an expectation there will be ongoing maintenance and upkeep costs. There are parts that will naturally wear over time, and it is reasonable to expect these to be replaced. And with second-hand cars, it is more likely parts will need to be replaced sooner or be worn faster than with a brand-new car. So, Autolend wouldn't be responsible for anything that was due to normal wear and tear whilst in Mr W's possession.

In this case, Mr W first experienced an issue with the car in March 2024. The car was recovered and taken to a third-party garage, who advised the car: *"has no oil pressure, the cam belt has decayed wet belt timing belt and blocked up oil pump, this cannot be started [until] new oil pump and timing belt fitted or there will be catastrophic internal engine damage"*. They also mentioned a gearbox fault but were unable to advise on this without further investigation.

In May 2024, the car was inspected by the supplying dealership. They said there were no issues with the engine and found the timing belt to be in serviceable condition considering the age and mileage of the car. They explained in line with the manufacturer's recommendation, the timing belt should be replaced after ten years, or sooner if damaged. But here, it didn't need replacing at that time.

The dealership confirmed the car crunched when trying to select a gear and the clutch friction plate had worn out – so the clutch needed replacing. They also found a pinhole in the coolant pipe that was causing a slight leak and the car had been overfilled with oil, so a new

coolant pipe and a service was required. However, Autolend considered these components to have failed within the expected range of use due to normal wear and tear.

An independent inspection of the car was carried out in November 2024. The engineer's report noted the fault with the clutch but said this wouldn't have been present or developing at point of sale, given Mr W had covered around 4,716 miles since acquiring the car. The engineer said there were no issues when starting the car from cold or any warning lights illuminated on the dashboard, and its general condition was considered to be commensurate for its age and mileage.

Following the report, further clarification was sought from the engineer regarding the condition of the timing belt. They confirmed they found it to be in satisfactory condition.

The engineer confirmed their duty is to the courts, not to the person who instructed or paid for the report. As such, I'm satisfied this report is reasonable to rely upon. And having considered their findings, the age and mileage of the car when the issues were found, alongside the fact that all of the parts requiring repair are subject to wear and tear, I find it's more likely than not those parts needed to be fixed because of normal wear and tear and parts coming to the end of their life cycle.

I've considered the third-party garage's opinion regarding the condition of the timing belt differs to those of the supplying dealership and the independent engineer. However, beyond an email and a repair quote, I haven't been provided with any persuasive evidence that demonstrates the car was supplied to Mr W with a car with an existing timing belt fault that meant the car wasn't sufficiently durable. So, there is insufficient evidence to demonstrate the car was of unsatisfactory quality when it was supplied.

As I can't say Autolend supplied Mr W with a car that was of unsatisfactory quality, I'm unable to reasonably say they are responsible for the required repairs or agree that they should terminate the agreement or refund any payments he's made. I realise this will come as a disappointment to Mr W, but I don't think Autolend needs to do anything further.

My final decision

For the reasons explained, I don't uphold Mr W's complaint about Lendable Ltd trading as Autolend.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 July 2025.

Nicola Bastin
Ombudsman