

The complaint

Mrs J complains that a car acquired under a hire purchase agreement with MotoNovo Finance Limited (“MotoNovo”) wasn’t of satisfactory quality when it was supplied to her.

Mrs J has been represented throughout this complaint. But for ease of reading, I will refer to Mrs J only within this decision.

What happened

The parties are familiar with the background of this complaint so I will only summarise briefly what happened here.

In May 2023, Mrs J acquired a used car from a dealership. She paid a deposit for the car, with the balance being provided under a hire purchase agreement with MotoNovo. The car was seven years old and had covered approximately 37,200 miles when the agreement started. The agreement was for 60 months, and the cash price of the car was £18,398.

In April 2024 Mrs J got in touch with MotoNovo. She said the sump plug had fallen out when she was driving the car, leading to an immediate loss of power and the car coming to a standstill. She’d had to call out a recovery agent and arrange for the car to be taken back to her local garage. She had covered just over 13,000 miles in the car at this time. She felt the car wasn’t of satisfactory quality when it had been supplied to her.

MotoNovo responded to Mrs J’s concerns and didn’t uphold her complaint. They said she’d had the car for longer than six months and the onus was on her to prove any faults with the car had been present or developing at the point of sale. They said Mrs J could arrange for an independent inspection to try and help determine the cause.

Mrs J didn’t arrange for an inspection and brought her complaint to our service. Our investigator didn’t uphold it. She said she wasn’t persuaded the car was of unsatisfactory quality when it was supplied to Mrs J, and Mrs J hadn’t provided definitive proof that the fault she’d experienced was present or developing at the point of sale.

Mrs J didn’t agree. She felt the outcome wasn’t fair or reasonable and the matter should be pursued.

As Mrs J didn’t agree, it’s 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.

Mrs J has provided a lot of information here. I’d like to reassure her that I’ve read and considered everything that’s been sent, although I haven’t commented on it all within this decision. I will be focussing on what I consider to be the key points of this complaint.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice.

As the hire purchase agreement entered by Mrs J is a regulated consumer credit agreement this service is able to consider complaints relating to it. MotoNovo are the supplier of the goods under this type of agreement and are responsible for a complaint about their quality.

The Consumer Rights Act 2015 (CRA) covers agreements like the one Mrs J entered. Because MotoNovo supplied the car under a hire purchase agreement, there's an implied term that it is of a satisfactory quality at the point of supply. Cars are of satisfactory quality if they are of a standard that a reasonable person would find acceptable, taking into account factors such as – amongst other things – the age and mileage of the car and the price paid.

The CRA also says that the quality of goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects and safety can be aspects of the quality of the goods.

But, on the other hand, satisfactory quality also covers durability. For cars, this means the components must last a reasonable amount of time. Of course, durability will depend on various factors. In Mrs J's case, the car was used and had covered approximately 37,200 miles when she acquired it. So, I'd have different expectations of it compared to a brand-new car. Having said that, the car's condition should have met the standard a reasonable person would consider satisfactory, given its age, mileage, and price.

Our investigator has explained that she thinks the car was of satisfactory quality when it was supplied to Mrs J. I agree in this case. There is no doubt the car has experienced a fault – Mrs J has supplied confirmation from the recovery agent that a fault had occurred with the sump plug. However, I'm not persuaded, from what I've seen, that the car can be considered as unsatisfactory quality when it was supplied to Mrs J. I'll explain why.

Mrs J brought the problems with the car to MotoNovo's attention in April 2024, which is outside six months of being supplied with it. So, I need to consider if MotoNovo have done what I'd expect them to have done once they were aware there was a problem with the car.

The CRA explains that where goods are found not to have conformed to the contract within the first six months, it is presumed the goods did not conform to the contract of the point of supply. Unless the supplier, MotoNovo in this case, can prove otherwise. However, in Mrs J's case, I'm satisfied it was outside six months when she first informed MotoNovo of the fault with the car. This switches the burden of proof onto Mrs J, and it's for her to prove the fault with the car would have been present or developing at the point of sale.

Mrs J has explained her reasons for not arranging an independent inspection of the car. That's her choice, of course, but MotoNovo did say they would consider the findings of any report if it showed the fault with the sump plug had been present or developing at the point of sale. I think that's a reasonable thing for them to say in the circumstances and considering the time Mrs J had had the car and the mileage that had been covered when the sump plug fault happened. Without any conclusive evidence to show when the fault occurred, MotoNovo weren't required to do anything.

Mrs J has also mentioned many reasons why the sump plug fault could have occurred, from a lack of care with a previous oil filter change to historic problems with this model of car from the manufacturer. All of her reasons are possibilities – but none of them are conclusive to determine the sump plug on *her* car failed because the problem was present or developing at the point of sale.

I can only conclude the car wasn't of satisfactory quality at the point of supply if I have evidence the fault was present at the point the car was supplied to Mrs J. And, whilst there is no doubt the car has suffered a fault with the sump plug in the time Mrs J has had it, there isn't anything provided to confirm the fault with the car was present when Mrs J acquired it. And Mrs J has accepted, in her submission to this service, that proving when the fault with the sump plug occurred will prove to be difficult.

I know this decision will come as a disappointment to Mrs J, and she has a car that will require significant outlay to repair. But I just don't have enough evidence to be able to say I'm satisfied the car was of unsatisfactory quality when it was supplied to her. As such, I'm not asking MotoNovo to do anything more here.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 3 June 2025.

Kevin Parmenter
Ombudsman