

The complaint

Mr M complains that a car supplied to him under a hire purchase agreement with Oodle Financial Services Limited (Oodle) is of unsatisfactory quality.

What happened

The circumstances surrounding this complaint and my initial findings were set out in my provisional decision which said:

In October 2023 Mr M entered into a hire purchase agreement with Oodle to acquire a used car. The car was over 12 years old, with a mileage of 44,832. The cash price of the car was £10,995.00, a deposit of £6,995.00 was paid by method of trade-in and cash. The total amount financed on the agreement was £12,671.16, payable by 48 monthly repayments of £116.17.

In October 2023, Mr M experienced the engine maintenance light turning on. He took this to a local garage I'll refer to as 'C', where Mr M has provided an invoice from C where they diagnosed a fuel pump short-circuit with a leak in the PCV valve. The invoice shows C rectified these faults at Mr M's expense.

Mr M explained he experienced further issues with the car, including ongoing problems with the electronic dashboard switching on and off intermittently alongside a fault with the parking brake not working, lights such as the parking brake light would flash up on the dashboard unexpectedly and the air-conditioning was making Mr M cough.

Mr M complained about these issues to Oodle. As Mr M was complaining about faults that were reported within the first six months of the agreement, Oodle arranged for a report from an independent car inspector to see if there were any faults, and if found, were they present or developing at the point of sale. The inspector couldn't replicate the faults, and Oodle then issued a final response in which it didn't uphold Mr M's complaint based on the report. Mr M remained unhappy and brought his complaint to this service where it was passed to one of our investigators.

The investigator didn't uphold the complaint. He said that the fault with the PCV valve was a wear and tear issue, and that as the independent inspector couldn't find the complained about faults, the car was of satisfactory quality when it was supplied.

Mr M didn't agree so I've been asked to review the complaint to make a final decision. As a note – Mr M raised further issues with the vehicle after the complaint had been brought to this service around some damage to the wiring on the rear window of the car.

The investigator explained to Mr M that as this hadn't been raised with the Oodle and they hadn't had the chance to provide a response, our service won't be able to investigate this point. This is correct and as such I won't be making a finding on this issue in my decision.

I sent Mr M and Oodle my provisional decision on 14 January 2025. I explained why I thought the complaint should be upheld. The key parts of my provisional findings are copied below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr M acquired a car under a hire purchase agreement. Entering into consumer credit contracts like this is a regulated activity, so I'm satisfied we can consider Mr M's complaint about Oodle. Oodle is also the supplier of the goods under this type of agreement meaning they are responsible for a complaint about the supply of the car and its quality.

The Consumer Rights Act 2015 (CRA) is relevant in this case. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory, fit for purpose and as described". To be considered as satisfactory, the CRA says the goods need to meet the standard that a reasonable person would consider satisfactory, considering any description of the goods, the price and all the other relevant circumstances. The CRA also explains the durability of goods is part of satisfactory quality.

So, it seems likely that in a case involving a car, the other relevant circumstances a court would consider might include things like the age and mileage at the time of sale and the vehicle's history.

In this case, Mr M acquired a car that was over 12 years old and had travelled 44,832 miles. As this was a used car with this mileage and age, it's reasonable to expect parts may already have suffered more wear and tear when compared to a new car or one that is less travelled. There's a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn.

I've reviewed the available evidence about the issue Mr M experienced with the car. Based on what I've seen, I'm satisfied that there was a fault with the car. I say this because the invoice from C shows the PCV valve was replaced due to a fault. Having considered the car had a fault, I've considered whether it was of satisfactory quality at the time of supply. I'll also consider whether the car was suitably durable.

Mr M provided the invoice from C showing there was an issue with the PCV valve. The invoice is dated around five days after the sales invoice for the vehicle. I can't see that this issue was raised with Oodle or the dealership before the repair took place, however, there is a contact note supplied by Oodle showing Mr M did make them aware of this at least around six days after the sales invoice, one day after the invoice is dated from C. I've considered whether the fault would mean the vehicle was of unsatisfactory quality or whether the part was not suitably durable when it was supplied.

Research suggests a PCV valve may need to be replaced after around 40,000-60,000 miles. This can also vary depending on how the car has been maintained. The independent report does not comment on this fault as it had already been repaired by this point, so we don't have comments on if it would have been present or developing at the point of sale. However, I find that as the part failed so soon after the sale, this persuades me the vehicle was not of satisfactory quality and the part was not suitably durable when it was supplied. I say this because the PCV valve is a serviceable part that appears to have needed maintenance – however, to fail within five days of purchase, persuades me that Oodle should be liable for repairing it if they were given the chance, or covering the cost of the repair incurred by Mr M. Mr M had made Oodle aware of it around six days after purchasing the car, and as such Oodle should have offered to reimburse the cost of the replacement due to it failing so soon after purchase. Particularly as Mr M had also purchased a 24-month policy as listed on the

sales invoice that may appear to cover engine related issues for repair based on the provider's website. I can't see anywhere that using this option was discussed with Mr M. I also find it reasonable that the repair took place when it did, as a mechanic is unlikely to repair something that wasn't required.

Mr M states that he also encountered problems with the car's dashboard not turning on, and with dashboard lights intermittently illuminating on their own, as well as a fault with the parking brake and has supplied photographs and video evidence of these issues. Because of these issues, Mr M told Oodle he wanted to reject the vehicle. The CRA lays out a consumer's short-term right to reject if there are faults found within the first 30 days of the car being supplied. This does not apply to the PCV valve replacement as Mr M had this repaired and so accepted a repair rather than a rejection of the vehicle at that time. The car was inspected by an independent car inspector in December 2023, as Oodle wanted to find out if these faults were present or developing at the point of sale in line with their obligations. The inspecting engineer performed a road test and tried to replicate the faults Mr M said he encountered. Across the test and vehicle inspection the engineer was unable to find any fault codes or replicate the faults Mr M had raised.

From the information available, I'm not persuaded there were any further issues with the car, as described by Mr M, following the repair of the PCV valve. I say this because the inspecting engineer was unable to find any faults with the vehicle whilst inspecting and testing it. I appreciate Mr M has supplied photographs and videos of the faults he's explained he encountered, but as an independent engineer has inspected the vehicle and was unable to find or replicate any faults with it, I'm satisfied the issues raised by Mr M, following the issue with the PCV valve, were not present or developing at the point of sale. I'm also satisfied that there isn't a fault with the air-conditioning, as no fault was found or reported on. The car was over 12 years old at the point of supply, and whilst this doesn't account for anything that could go wrong with the vehicle, it's reasonable to expect that some parts may have suffered considerable wear and tear over this time and may need replacing or repairing sooner than Mr M may have expected or wanted. However, I haven't found anything to show the parts investigated during the inspection were faulty.

I invited both parties to make any further comments. Mr M responded to say he accepted my provisional decision if certain other costs he has incurred were awarded alongside prospective repair or replacement costs Mr M states need carrying out on the vehicle. These are listed as two diagnostic checks costing a total of £481.99 alongside repairs Mr M states need carrying out at a total cost of £2,740.20 contained in a quotation for work dated in January 2025. Mr M sent information in showing the costs of these. Whilst these have not been provided by Mr M until now, they do appear to relate to investigating potential problems Mr M said he was experiencing with the vehicle.

Oodle responded to say it accepts my provisional decision. Now both sides have had an opportunity to comment, I can go ahead with my final decision.

What I've decided – and why

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As explained above. after my provisional decision, Mr M did supply diagnostic check costs alongside a quotation for work which is dated 9 January 2025, that appears to be from a

repairer. This shows they believe a flap motor is defective and requires replacing, alongside the instrument cluster being unable to get the mileage, with replacement advised. Mr M said he wants this covered by Oodle if he accepts the provisional decision.

I have nothing else to show when the repairer believes these faults to have occurred, or whether they believe them to have been present or developing at the point of sale, to show the car was of unsatisfactory quality in these areas when it was supplied. We do have the independent inspection report, that couldn't find or doesn't comment on either of these faults at the point in time the vehicle was inspected in December 2023. So, whilst I acknowledge Mr M's frustration that things might have gone wrong further down the line with the vehicle, I can't say the quotation for work shows these were likely to have been present or developing at the point of sale, and I do think the independent inspection report not finding these lends weight to the fact this is normal wear and tear through ownership and use of the vehicle. I'm persuaded by the information I have that these faults were not present or developing at the point of sale. This means that I would also not support Mr M's request for a refund of his costs in relation to the diagnostic checks carried out. I'm not persuaded Oodle should be responsible for these as I have no information that suggests the vehicle was of unsatisfactory quality in these areas when it was supplied.

As neither party responded to my provisional findings with any further information to be considered that changes my decision, I see no reason to depart from them above. I've copied below what I provisionally decided Oodle need to do to put things right. As I received no further information or comments that changes things as outlined here, this has also not changed.

Putting things right

As I've concluded that the car was not of satisfactory quality when it was supplied in relation to the PCV valve replacement, I think it's reasonable that Oodle should put things right.

I'm persuaded Oodle should have covered the cost to replace the PCV valve when they were informed about the need for repair due to such a short time passing between obtaining the car and needing to repair a part of it. It doesn't appear Mr M raised a request to reject the vehicle, until after the repair and when he encountered other things going wrong. So, I can't support Mr M's rejection request as he'd allowed a chance to repair the vehicle, and there is no evidence to show that this repair failed or any evidence of other ongoing faults occurring to make the car of unsatisfactory quality or unsuitably durable when it was supplied.

Mr M has provided an invoice showing the cost of the diagnosis and repair of the PCV valve as being £201.68. It is fair that Oodle reimburse Mr M this amount. With 8% interest payable from the date of the invoice paid to the date of settlement. I also thought about if a payment for distress and inconvenience would be relevant here. From the information I have, I don't think a payment is necessary as the repair appears to have taken place quickly, with Mr M incurring little inconvenience that I can see resulting from the PCV valve failure.

Mr M appears to have had the vehicle repaired when the fault was found, and explained he'd stopped using the vehicle once the other complained about issues presented themselves.

My final decision

For the reasons explained, I uphold Mr M's complaint and instruct Oodle Financial Services Limited to do the following:

- Refund the cost of the replacement of the PCV valve listed as £201.68 on the invoice provided by C.
- Pay 8% simple yearly interest* on the above, to be calculated from when Mr M made the payment to the date of the refund.

*HM Revenue & Customs requires Oodle Financial Services Limited to deduct tax from the interest amount. Oodle Financial Services Limited should give Mr M a certificate showing how much tax it has deducted If he asks for one. Mr M can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 March 2025.

Jack Evans
Ombudsman