

The complaint

Mr H complains that the car he acquired through MotoNovo Finance Limited (“MFL”), wasn’t of satisfactory quality. He wants to reject the car and cancel the credit agreement.

What happened

Mr H entered into a hire purchase agreement in March 2024 to acquire a used car. The cash price of the car was £12,745, and after taking account of Mr H’s deposit of £1,000, the credit provided totalled £11,745. The total repayable was £15,268.52 and was to be repaid through the credit agreement which was set up over a 48-month term with monthly payments of £297.24. At the time of acquisition, the car had already been driven 35,000 miles and was four years old.

Mr H told us:

- Having signed the paperwork, the car was due to be delivered at the end of March 2024, and he had planned to be around for its delivery but poor communication from the supplying dealership about the date and time of delivery meant he wasn’t around to accept it, so he arranged for someone else to be at home to accept delivery, and they signed for the car on his behalf;
- the following day he inspected the car and discovered a small dent in the bonnet, which he concludes must’ve happened during the long drive from the supplying dealership to his home;
- he contacted the supplying dealership and sent it pictures, and the garage agreed to repairs at no cost to himself;
- in April he took the car for an MOT, and the garage told him the rim of one of his alloys was cracked;
- he told the supplying dealership about the alloy, and it offered to cover half the cost of a new alloy;
- Mr H didn’t agree with its proposal – he wanted to reject the car because the crack must have been present when the car was supplied – but the dealership wouldn’t accept rejection of it;
- he complained to MFL, and it upheld his complaint; and said it would arrange for the dent in the bonnet and the cracked alloy to be repaired;
- he was “*bullied into accepting*” the repairs, and doesn’t understand how MFL can uphold his complaint, but not support him;
- upon delivery, the bonnet was dented, and the alloy was damaged, and he wants to return the car.

MFL upheld this complaint. It said Mr H had contacted it soon after acquiring the car, and it didn’t dispute what Mr H told it – the car had a small dent in the bonnet and a cracked alloy. It said Mr H had asked that the supplying dealership resolve both issues and pay him £2,000 in compensation. And when it agreed to the repairs, but refused the compensation payment, Mr H reduced his demand for compensation to £1,000. Again, the supplying dealership declined to make a payment of £1,000 but said it was willing to have the bonnet and alloy repaired at no cost to Mr H.

MFL told this Service that its resolution of Mr H's complaint was fair – there was no evidence at all about how the damage arose, but the dealer had nonetheless paid for a new wheel and the paint repairs.

Our Investigator looked at this complaint and said he didn't think it should be upheld. He acknowledged that there had been faults with the car – issues that Mr H had identified in the days and weeks following its acquisition. But because Mr H had confirmed that by October 2024, the car had been driven 51,000 miles – 16,000 miles in the seven months he'd had use of it – and Mr H had also confirmed that there were no faults with the car at present; they'd all been repaired, so there was nothing currently wrong with the car, our Investigator concluded that the complaint had been settled fairly.

Mr H disagrees so the complaint comes 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 agree with our investigator – I don't think this complaint should be upheld, and I'll explain why.

I hope that Mr H won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an *informal* dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Mr H should note, however, that although I may not address each individual point that he's raised, I have given careful consideration to all of his submissions before arriving at my decision.

When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mr H is a regulated consumer credit agreement this Service is able to consider complaints relating to it. MFL is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that the quality of the goods includes their general state and condition, and other things like their fitness for purpose, appearance and finish, freedom from minor defects, safety, and durability can be aspects of the quality of the goods. So, what I need to consider in this case is whether the car *supplied* to Mr H was of satisfactory quality or not.

The CRA also says that, where a fault is identified within the first six months, it's assumed the fault was present when the car was supplied, unless MFL can show otherwise. But, if the fault is identified after the first six months, then it's for Mr H to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr H took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask MFL to put this right.

I don't think there's any dispute that Mr H has experienced problems with the car. That has been well evidenced by both his testimony and the photographs he's sent us. And it seems that both the supplying dealership and MFL accept the existence of the faults highlighted by Mr H.

But I'm of the view that, based on what I've seen, the supplying dealership accepted liability at the outset – it covered the costs of the repairs – and that all parties accepted that 'repair' was the way forward – and the supplying dealership undertook those repairs.

Moreover, I understand the repairs have now been completed – and I've seen nothing to suggest to me that the remedial work hasn't been completely successful; the paintwork on the bonnet has been repaired, and a replacement wheel was provided. So, on the basis that the car has been successfully and fully repaired, I don't think it would be right to direct MFL to accept rejection of it. I'm satisfied that MFL, through the actions of the supplying dealership, has done what it needed to do in the circumstances.

And although Mr H now says he didn't agree to those repairs, I find it hard to understand how someone was able to retrieve the car keys and the car, repair the dent to the bonnet, and replace the wheel without Mr H's consent. Moreover, the 16,000 miles the car has been driven since it was acquired until October 2024 suggest to me a degree of satisfaction with the car and its performance.

Now, it may well be the case that Mr H does not have full confidence in the repairs, or he fears that other faults may manifest themselves in the future. In this situation, as he's had the car for more than six months, it would be for Mr H to instruct a recognised independent engineer to inspect it.

In the event an independent engineer concluded that the repairs had not been successful - they'd not addressed the original faults, or alternatively, the engineer identified further faults that were likely *present or developing at the point of supply*, then Mr H could bring a new complaint directly to MFL.

Taking account of everything in the circumstances of this case, I do not uphold this complaint.

I know Mr H will be disappointed with the outcome of his complaint, but I hope he at least understands why I've reached the conclusions that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 April 2025.

Andrew Macnamara
Ombudsman