

The complaint

Mr W complains about the quality of a car supplied to him on finance by Lendable Ltd.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In June 2024 Mr W took out a hire purchase agreement for a second-hand car with Lendable.

Mr W said he had issues with the car a few months in, namely with loss of power. He complained to Lendable about the car but it concluded there wasn't sufficient evidence to show the car was not of satisfactory quality as supplied.

Our investigator agreed with Lendable and did not uphold the complaint so it has come to me for a final decision.

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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Lendable is also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory".

The Consumer Rights Act 2015 says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. So it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the vehicle's history.

The Consumer Rights Act 2015 ('CRA from now on') says 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 goods.

Lendable supplied Mr W with a second-hand car that was around 8 years old and had covered around 58,000 miles at the point of supply. The dealer priced it at around £11,000 which is notably less than what a new or newer model with less mileage would cost. It is fair to say that in these circumstances a reasonable person would consider that the car had already suffered notable wear and tear – and was likely to require more maintenance and potentially costly repairs much sooner than you might see on a newer, less road worn model. And I can't see evidence that the dealer described the car in such a way that would alter those expectations.

It appears that around five months after taking the car it started to experience issues with a loss of power. I can see Mr W had a third-party garage (who I will refer to as 'D') look at the car in respect of this. It produced a job sheet / invoice dated in November 2024 detailing the investigation and actions it took into the loss of power issue which appear to have involved a diagnostic inspection in relation to the DPF and exhaust system.

My starting point is that a loss of power does not automatically mean a car is of unsatisfactory quality in the circumstances. Particularly, when consideration is made about the nature of the goods. In this case a car that is already around 8 years old and had covered around 61,000 miles at the point the issues occurred. Furthermore, the apparent nature of the fault here (relating to a possibly blocked DPF) would appear to be something that can occur over time and be put down to wear and tear and / or the way a car is used. In summary, in these circumstances, and in the absence of further evidence, the issues Mr W had experienced could fairly be put down to reasonable wear and tear and usually expected servicing requirements.

However, I note that (presumably because the issues occurred at a fairly early stage) Lendable arranged for an independent expert report ('Report A') to be carried out on 17 December 2024. This doesn't seem like an unreasonable course of action. I have therefore considered what Report A says to determine if Lendable should fairly have taken liability for the issues with the car.

I note Report A identified the car had been '*semi dismantled*' with various key components missing including the downpipe from the manifold to the turbocharger and the exhaust system including the DPF. It also notes that wiring had been unplugged to the engine bay, wiring harnesses were missing and the centre console had been dismantled. As a result it was unable to confirm that the car had inherent faults and recommended that the parts were replaced so a full investigation could be carried out.

On the basis of the conclusions of Report A I don't consider it was unreasonable for Lendable to have refused to accept liability for the condition of the car, or any repairs and maintenance that might be required. I say this noting there is nothing persuasive to suggest the car was supplied in the condition Report A identified – otherwise Mr W would not have been able to drive it over the time he did. Based on the information I have (including the job sheet produced by D) the most likely explanation for the condition of the car is that D carried out removal of parts (including the DPF) for diagnostics and with a view to specialist cleaning/repair and then did not put these back in the car. I am not saying Mr W was aware the car was left in the condition identified in Report A. But the problem is that because D appears to have left the car in an incomplete condition – it makes it very difficult to establish what (if anything) Lendable would be liable for here in respect of the original issues Mr W had raised.

Furthermore, I don't think there is persuasive evidence to suggest Lendable should fairly be liable for any potential wrongdoing by D. I note both the dealer and the credit broker deny

they authorised these third-party repairs. And there isn't persuasive evidence to suggest that Lendable did. The job sheet from D indicates it took instruction from Mr W who is named on the invoice. So I don't think it would be fair to say that Lendable is ultimately responsible for the current condition of the car in any event.

In summary, based on the information Lendable had, the apparent problems with the car could be put down to wear and tear on an older car. But in any event, due to tampering with the car it was unclear the car as supplied was of unsatisfactory quality. Without further persuasive evidence of the car not being of satisfactory quality as supplied it was not acting unfairly in not accepting liability at the time Mr W complained.

I am sorry to disappoint Mr W, however I remind him my decision is an informal one. He may reject my findings and consider seeking advice regarding any civil claim (such as court action) he may have against any party involved.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 November 2025.

Mark Lancod
Ombudsman