

## The complaint

Miss N has complained that she is unhappy with the quality of a car she acquired in February 2024, using a hire purchase agreement with Scott Motor Finance Ltd (“Scott Motor”).

## What happened

Miss N acquired a used Fiat in February 2024, using a hire purchase agreement with Scott Motor. The car cost £6,774, all of which Miss N borrowed over a 60-month term. The monthly repayment was £201.53. The car was nearly ten years old at the point of supply, and the mileage stated on the MOT that took place a few days beforehand was 47,115. The finance on the car was arranged through a broker.

Miss N said that she had problems with the car within the first week, and had to call for roadside assistance. She contacted the broker on 12 February 2024, referring to the call out and saying that the car wouldn’t start the following day and had to be recovered to a garage, and that she wanted to reject the car. The broker replied the next day, saying that with regard to rejecting the car, Miss N would need to contact the lender herself, and that the dealership would be contacting her. It seems that some repairs to the clutch were then completed at a cost of £108, although I have conflicting information on whether the dealership was involved in those repairs in any way.

I should also say here that Miss N told us that she contacted Scott Motor a number of times about the car, but that it referred her to the broker each time.

Miss N gave us a copy of a letter to the broker dated 6 June 2024, (after she’d had the car for four months) in which she said that she’d had an issue with the gearbox in the first week, which had been fixed, but had just had to have the alternator replaced at a cost of £346.20 (Miss N sent in the invoice for this, dated 22 May). She also said that there were three further problems – with the exhaust, gear box and ignition coil. She again said she wanted to reject the car. I also have a copy of an email from Miss N to both the broker and Scott Motor, from 1 June, again saying she wanted to reject the car. Miss N sent in a copy of a quote for replacement of the lower gearbox mount and exhaust welding at a cost of £272, dated 28 May 2024, although Miss N said she hadn’t been able to afford to have this work done at that point.

I have a copy of an email showing that Miss N contacted Scott Motor again, later in 2024. The date isn’t shown on the email, but it seems to have been around early November 2024. It refers to the car breaking down with smoke coming from the bonnet and a horrendous smell. She said she’d called roadside assistance, and the car didn’t start and would not come out of gear. Miss N went on to say that she’d had two independent mechanics inspect the car and they said there was a problem with the gearbox, which was most likely the clutch, but this would need to be confirmed in the garage. She said the two repair quotes were around £1,200.

Miss N provided a copy of a vehicle condition report dated 4 Oct 2024, which showed a mileage of 57,991, and which listed a number of repair items including the actuator and

gearbox and replacement of the clutch, at a cost of £1,200. She then sent in confirmation that this amount had been paid.

I have an email from the broker to Miss N (and copied to Scott Motor) on 5 November 2024 saying that an independent inspection report was needed to determine whether the faults were present at the point of supply. The email also refers to the MOT test carried out just before the point of supply and said that the exhaust would've been checked at that point and no faults had been identified.

Miss N brought her complaint to this service at around this time. Following that, Miss N said that she had taken the car to a Fiat garage in December 2024. It had replaced the spark plugs to deal with the misfire that Miss N said had been occurring since the car was supplied. The garage also said that the clutch kiss point was above tolerance and starting to wear so the clutch needed replacing. I have copies of email between Miss N and the broker from this time, and the broker reiterated that it had no evidence the faults were developing at the point of supply.

Scott Motor hadn't issued a final response letter to Miss N, but it provided information to us to the effect that it did not uphold her complaint. Our investigator looked into the complaint, and thought it should be upheld. Scott Motor didn't agree, so the complaint has come to me for review.

### **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.

I've decided to uphold Miss N's complaint. I'll explain why.

I've taken account of the relevant law, in particular the Consumer Rights Act 2015, ("CRA"). Because Scott Motor supplied the car under a hire purchase agreement, it's responsible for a complaint about the quality, and there's an implied term that the car was of satisfactory quality. Cars are of satisfactory quality if they are of a standard that a reasonable person would expect, taking into account all of the relevant circumstances such as (amongst other things) the age and mileage of the car and the price paid. When considering satisfactory quality, I also need to look at whether the car is durable – that is, the components within the car must be durable and last a reasonable amount of time.

There are certain times, set out in the CRA, when a consumer is entitled to reject goods, in this case the car, if they don't conform to contract – a short term right to reject within 30 days of taking delivery, or a final right to reject if a repair or replacement hasn't resulted in the car subsequently conforming – that is, it then being of satisfactory quality.

In this case, the car was nearly ten years old at the point of supply, and the mileage stated on the MOT that took place a few days beforehand was 47,115. And the price was lower than that of a new car. So it's reasonable to expect that parts of the car would have suffered wear and tear, and that a car of this age would likely need repair and maintenance sooner than a newer car. However, I note that the mileage seems rather low for a car of this age.

Miss N sent in copies of email exchanges with the broker and lender and copies of quotes and invoices for the work required. Scott Motor sent in a copy of Miss N's finance agreement and details of the previous MOT inspection.

This is a difficult case to decide as I don't have the benefit of an independent inspection report - I think it would've been helpful had Scott Motor commissioned one when Miss N

complained about the faults with the car in June 2024, or indeed earlier when the initial issues occurred. So I need to base my decision on the information I have from both parties.

It's clear that there are, and have been, faults with the car. The various quotes, invoices and diagnostics that I have referred to above set out a number of issues. I also note that the car initially failed an MOT in January 2025 because the "*Nearside Front Shock absorbers have a serious fluid leak*". However, the key issue is whether there were faults present or developing at the point of supply that meant the car wasn't of satisfactory quality. From the evidence I have, I don't think the car *was* of satisfactory quality at the point of supply. I say this for the following reasons.

The first problem arose within a week of the car being supplied, and I have an invoice for £108 relating to work on the clutch. There's not much detail on the invoice, but it looks as though this was both a diagnostic and repair. I have conflicting information from the parties about the level of involvement of the supplying dealership in organising this repair.

The next faults became apparent a few months later – Miss N had had the car for around four months by then. These related to the alternator, gear box mount and an exhaust leak. And Miss N paid out £346.20 for the alternator to be replaced. Scott Motor said that it had passed the details to the broker so that the issues could be raised with the dealership.

However, as Scott Motor was responsible for the complaint about the quality of the car, I think it could reasonably have taken a more active role and commissioned an independent inspection report at that point. The CRA sets out that, if a fault occurs within six months of supply, the onus is on the business to prove the issues were neither present nor developing at the point of sale. I'm not satisfied that Scott Motor has done this.

I should also say here that one of the issues that I must consider is the durability of the car and its components, and online research suggest that an alternator should on average last 80,000 to 150,000 miles – significantly more than the mileage on Miss N's car.

I accept that the age of the car made the need for maintenance more likely, although it had a relatively low mileage. But I think a reasonable person would have expected to have had use of the car for a reasonable period before repairs were needed. That the car needed two repairs within the first four months, and further items had been identified, leads me to think it's most likely that the car *wasn't* of satisfactory quality at the point of supply.

Miss N had to have further repairs completed in October 2024. As I noted above, these related to the actuator and gearbox and replacement of the clutch. Again whilst I don't have a great deal of detail, online research suggests the lifespan of the clutch would be round 60,000 to 80,000 miles – greater than the mileage on Miss N's car. I accept that I don't have details of the previous owner(s) or a service history so I can't say whether their driving patterns may have had an effect – although given the relatively low mileage for a car of this age, the car doesn't seem to have had excessive use before Miss N acquired it. I should also say here that I have seen nothing to suggest that Miss N's driving style contributed to the faults that arose on the car.

Miss N paid out £1,200 for the repairs in October 2024. I think it was reasonable for her to proceed with the repairs in both May and October 2024, as the email exchanges I have seen do not suggest that Scott Motor was playing an active part in resolving the issues or dealing with Miss N's complaint.

Taking all this into account, I'm satisfied that it's most likely that the car wasn't of satisfactory quality at the point of supply, as the faults relating to the clutch, alternator, gearbox, and

exhaust would likely have been present or developing at that point. I've taken into account the fact that the initial issue with the car in February 2024 was related to the clutch,

Miss N has more recently sent in a diagnostic report carried out in December 2024 by a Fiat garage. This listed an issue with the clutch and referred to the replacement of spark plugs. I have thought about this, but I think the replacement of spark plugs would reasonably be considered to be due to normal wear and tear. And as the clutch was replaced in October 2024 by a third-party garage, I can't fairly hold Scott Motor responsible for any problems with that repair. I noted above that the car failed an MOT test in January 2025 due to there being a serious fluid leak on the nearside front shock absorbers. There were also some advisories listed. However, at this point Miss N had travelled over 12,000 miles since acquiring the car, and none of the other repairing garages had identified these issues. So I think it fair to take it that these issues had developed after the point of supply and I have not considered them in reaching my decision.

Scott Motor raised a number of points, both before and after our investigator issued her view, to say why it thinks Miss N's complaint should not be upheld. I have listed the key points below, and have read and considered all of its submissions very carefully.

Scott Motor believes that the MOT carried out just before the point of supply is evidence that none of the faults later raised by Miss N was present or developing at that point, and that the MOT also constitutes the independent report that supports that.

Specifically, Scott Motor says no fails or advisory notes were recorded on the MOT inspection in relation to the engine block integrity (a broken gear box mounting would likely have been identified during the inspection of the engine block), exhaust system, or the electrics/battery (the issues with the alternator would likely have been identified during the inspection/test of the battery). On that basis, Scott Motor believes that the onus is on Miss N to provide her own independent report to determine that the faults were present or developing at the point of supply, and that to date she has not done so. It says it has no liability for liability for faults that developed after such a considerable amount of time as well as the use and mileage accumulated by Miss N on a 10-year-old vehicle. Additionally, its investigation has shown that Miss N did not follow instructions given to her by Scott Motor or the broker to allow the dealer to inspect the car or indeed repair any alleged faults.

It also said that Miss N was offered the opportunity to have the issues inspected by the original dealer as confirmed by the broker. And the dealer confirmed to the broker that it would attempt to contact Miss N as it was happy to assist. However, Miss N chose not to engage with the dealer and instead elected to have the clutch repaired at a third-party mechanics. Scott Motor also believes that the faults were due to normal wear and tear based on the age and mileage of the car and the mileage covered by Miss N.

Scott Motor also took the view that the redress suggested by our investigator was not fair or reasonable as it exceeded the amount so far paid to Scott Motor under the agreement. Miss N has benefited from the use of the vehicle over several months and covered over 12,000 miles.

Many of the points in Scott Motors' submissions centre on the MOT carried out just before the car was supplied. However, the focus of the MOT test is the safety, emissions and roadworthiness of the vehicle rather than mechanical condition. And not every component is checked. So I'm not satisfied that the faults that arose later would necessarily have been identified at the MOT test, and therefore it doesn't alter my conclusions.

Also, as I have noted above, I think Scott Motor, having responsibility for the complaint about the quality of the car, could reasonably have commissioned an independent inspection of the

car in May 2024 – or possibly earlier. Instead, it directed Miss N to the broker. The onus appears to have been placed on Miss N to contact the various parties involved, or to organise an independent report. I don't think this was fair as Miss N had only had the car for some four months by then.

Scott Motor has made frequent reference to Miss N not having given the dealership the opportunity to inspect the car. However, it looks as though the dealership is around 250 miles from Miss N's home. The CRA requires the trader (In this case Scott Motor) to pay for the necessary costs of the repair and carry it out in a reasonable time and without significant inconvenience to the consumer. I think the distance to the dealership would've been a significant inconvenience to Miss N, so I think Scott Motor could reasonably have taken steps to liaise with the dealership and arrange for an inspection and repair at a more local garage. I accept that there is some conflicting information about the level of involvement of the dealership, but this does not affect my conclusions. Given that Miss N was largely being directed to the broker or dealership, I don't think it was unreasonable of Miss N to proceed with the repairs when she did.

Scott Motor has also made frequent reference to the right of repair not having been exhausted. The CRA provides that if goods do not conform to contract after one attempt at repair or replacement then the customer will be entitled to other remedies. In this case, my conclusions about redress relate to the refund of repair costs and a proportion of Miss N's monthly payments because of impaired use of the car - I do not consider the rejection of the car is an appropriate remedy in this case. So this point is not relevant.

The other key point was the level of redress. I have based this, as our investigator did, on the repair costs paid out by Miss N along with a proportion of the monthly payments to reflect the impaired use of the car. I accept that this may exceed the amount paid under the contract so far. But had the car been of satisfactory quality Miss N would not have incurred these costs so soon after acquiring the car. I have set out what I consider to be fair and reasonable in the circumstances, as I am required to do.

In summary, having considered all of the information and evidence provided by all parties. I have concluded that it is more likely than not that the car was *not* of satisfactory quality when it was supplied, and therefore I am upholding Miss N's complaint.

I do appreciate that Miss N would like to reject the car and end the contract, but the more recent issues could reasonably be considered to be wear and tear, and as the clutch was replaced in October 2024 the later issues with the clutch are the responsibility of the repairing garage. So I don't consider I can fairly require Scott Motor to end the contract.

However, I think it would be fair for Scott Motor to refund the cost of the repairs to the vehicle that were completed up until the clutch was replaced in October 2024. The amounts involved are £108, £346.20 and £1,200, and Scott Motor has had copies of the invoices for those.

I accept that Scott Motor disputes the responsibility for the repairs in October 2024. But as I explained above, I have also considered the durability of the components and the fact the gearbox fault had been identified at an earlier stage in reaching my conclusion.

Miss N has had use of the car throughout, but as there have been a number of issues I think it reasonable for Scott Motor to refund 10% of the monthly payments made from 8 February 2024 to the date of settlement to reflect the impaired use caused by the car not being of satisfactory quality.

I also think it fair for Scott Motor to pay £300 in recognition of the distress and inconvenience caused by the ongoing problems with the car and the consequent effect on Miss N.

## **Putting things right**

Scott Motor should:

- refund the cost of the repairs, this being £1,654.20.
- refund 10% of the monthly payments Miss N made during the period from February 2024 to the date of settlement.
- pay 8% simple yearly interest\* on all refunded amounts from the date Miss N paid them until the date of settlement.
- pay a further amount of £300 in recognition of the distress and inconvenience that has been caused to Miss N.
- remove any adverse information from Miss N's credit file in relation to the agreement (if any has been added).

\*If Scott Motor considers that it is required by HM Revenue & Customs to withhold income tax from that interest, it should tell Miss N how much it's taken off. It should also give Miss N a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

## **My final decision**

For the reasons given above, I have decided to uphold Miss N's complaint and to require Scott Motor Finance Ltd to compensate her as described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 20 February 2026.

Jan Ferrari  
**Ombudsman**