

The complaint

Mrs A complains about a car supplied to her using a hire purchase agreement taken out with MotoNovo Finance Limited (“MotoNovo”).

What happened

In March 2021, Mrs A acquired a used car using a hire purchase agreement with MotoNovo. The car was over three years old, the cash price of the car was £13,879, the agreement was for 61 months, made up of 59 regular, monthly repayments of £245.26, followed by a final payment of £246.26, which included a £1 option to purchase fee. The part exchange amount recorded on the agreement was £3,000. The mileage recorded on the sales invoice for the car was 39,356 miles.

Around four to five months after acquiring the car, in July 2021, at 41,905 miles, the car was repaired under warranty. The warranty invoice said the timing kit/ vac pump and associated parts were replaced.

Mrs A didn't have the car serviced in 2022 but did so in February 2023 at 55,837 miles.

In 2024, Mrs A said she was told that the car required a new engine as it was burning excessive amounts of oil. Mrs A complained to MotoNovo in April 2024. They didn't uphold Mrs A's complaint and explained that they required more evidence to show that any issues with the car were present or developing at the point of supply.

Mrs A had the car inspected by an independent engineer in August 2024. In summary, the report said that with the elapsed time and mileage covered in the car, issues identified would not have been present at the time of sale. Further comments by the independent engineer following the report suggested that the wet belt to the car failed prematurely and did not reach its expected durability standard. And that any liability for the car not being durable would depend on whether the car was serviced in line with the manufacturer's guidelines.

MotoNovo reopened Mrs A's complaint. They still didn't uphold Mrs A's complaint. In summary they said that the belt was changed after the car was supplied, but not by the seller. And the independent engineer concluded that the faults they found were not present or developing at the point of supply. MotoNovo also said that the independent engineer only had durability concerns about the wet belt, so there was no suggestion that Mrs A's car was suffering from issues which were there or developing when she acquired it. MotoNovo suggested Mrs A got in touch with the third-party garage that repaired the belt in July 2021, given her concerns about its durability.

Unhappy with MotoNovo's response, Mrs A referred her complaint to our service.

Our investigator said that it was likely there was a fault with the car, but concluded the car was supplied of satisfactory quality, given unauthorised repairs were carried out after the point of supply and due to a service not being completed in line with the manufacturer's recommendations.

Mrs A disagreed with the investigator's findings. She explained that the works carried out in July 2021 were covered under warranty and weren't unauthorised. Mrs A supplied the job sheets for the works carried out in July 2021. Our investigator explained that her opinion hadn't changed as she thought the car hadn't been maintained in line with the manufacturer's recommendations whilst Mrs A had possession of it.

Unhappy with the investigator's view, Mrs A asked the complaint to be referred to an ombudsman.

Mrs A confirmed to our service that the car wasn't driveable due to an engine failure and that she still had possession of it on her driveway. Mrs A said the car's mileage was 70,948 miles.

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'm not upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mrs A complains about a car supplied to her under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mrs A's complaint about MotoNovo.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – MotoNovo here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors. It's important to point out in this case that the CRA specifically explains that the durability of goods can be considered part of whether they are unsatisfactory quality or not.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note that the car Mrs A acquired was used, over three years old, had been driven around 39,400 miles and cost around £13,900. I think a reasonable person would accept that it would not be in the same condition as a new car and was likely to have some parts that are worn.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

Mrs A says the car was repaired a few months after she acquired it. I have seen emails Mrs A sent in relation to issues she had with the car after acquiring it. I have also seen a copy of the warranty invoice from July 2021, which said:

"Engine warning light on dash... replaced timing kit/vac pump + associated parts"

Considering the above, I'm satisfied there was a fault with the car in July 2021, and in relation to the timing kit and vacuum pump as they needed replacing,

MotoNovo has suggested that the above repairs carried out were unauthorised. However, I don't agree. From what I have seen, I'm persuaded the supplying dealership were made aware of the issues with the car at the time. I have seen job cards from around the time from the supplying dealership as well. The supplying dealership had either chosen to ignore Mrs A's concerns or had directed Mrs A to have the repairs carried out under warranty as they believed the issues to be in relation to a recall notice Mrs A received about the car. In any event, the repairs carried out were completed under warranty, at no cost to Mrs A.

Later, in April 2024, Mrs A says the car had issues again. Mrs A says she was informed by the dealership garage that the car required a new engine due to oil burning excessively. I'm mindful that no job cards have been supplied from the dealership garage saying that the car required a new engine. However, a fault code report had been supplied, showing several faults with the car.

An independent engineer's report was later completed on the car in August 2024. It said:

"We started the vehicle... with numerous warning lights and messages..."

...We did note that, when the engine was running at idle, a rattle was found coming from the top end of the engine. With an increase of engine revs, a noise was also developed coming from the bottom end. At this point, we turned the vehicle off to prevent any further damage..."

... we can confirm fault codes were obtained and none were relating to the engine ECU as this was not able to be interrogated due to there being a question mark present.

The wet belt had very light cracking of the outer surface."

I have inferred from the comments above that, while no faults were in relation to the engine ECU, this wasn't fully investigated due to concerns about causing damage to the engine. Considering the above, while a concrete diagnosis hasn't been supplied, I'm satisfied there was likely a fault to the car, in relation to its engine.

Was the car of satisfactory quality at the point of supply?

What I now need to consider is whether the faults with the car made it of unsatisfactory quality at the point of supply. Mrs A believes the issues with the car in April 2024 were linked to the issues she experienced in 2021.

I have considered the comments of the independent inspection which said:

"During the inspection completed... it was noted that the vehicle had covered approximately 2,443 miles in 72 days to the reported condition becoming evident... but has now covered 27,000..."

[The engineer] came to the opinion that due to the mileage the vehicle had covered since the point of sale, the condition could not be considered to be of a type, which would have been present or in its current condition at that time."

I have inferred from the comments above that as the car had been driven around 27,000 miles from the point of supply (and around 25,000 of those miles was between the July 2021

repair and the inspection being carried out), the expert engineer doesn't believe the new issues present to have developed at the point of supply.

I'm also mindful that the car hadn't been serviced in line with the manufacturer's guidelines in 2022.

While I accept that I'm not an expert mechanic, I'm persuaded by the comments made by the engineer here. I think, had the issues identified in August 2024 been developing from the point of supply, then I would have expected them to have presented themselves much sooner than they had done, as around almost three years had passed.

Mrs A has said that the current mileage on the car is 70,948 miles and it is undriveable. No further information has been supplied as to why the car is undriveable, other than Mrs A saying it is due to engine failure. Considering the independent inspection report she had carried out to the car said its mileage at the time was 66,985 miles, it means since August 2024, the car has been driven approximately a further 4,000 miles before it broke down.

It's worth noting that Mrs A says she was told by the dealership garage in April 2024 that the car required a new engine. Yet, from what I have seen, it seems it had continued to be driven for several thousands of miles, before it could no longer be driven. So, if I was to conclude that the car wasn't of satisfactory quality at the point of supply, I don't think Mrs A has mitigated her circumstances here, by continuing to drive the car and possibly causing further damage to it.

Considering the above, I'm not satisfied that the issues identified in 2024 were present or developing at the point of supply in 2021.

In relation to the comments made by the independent engineer about the wet belt and its durability, I suggest Mrs A directs her concerns to the repairing garage who may be able to assist further, if irreversible damage hasn't occurred due to the car continuing to be driven.

My final decision

For the reasons I've explained, I don't uphold this complaint. So, I don't require MotoNovo Finance Limited to do anything more here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 4 December 2025.

Ronesh Amin
Ombudsman