

The complaint

Miss B is unhappy with the quality of a car financed using a hire purchase agreement from Lendable Ltd trading as Autolend.

What happened

In June 2024 Miss B entered into a hire purchase agreement with Lendable for a used car. The car was around eight years old and had been driven for 73,378 miles. The cash price was £6,572.

In December, the car suffered catastrophic engine failure. Miss B had it recovered and was told the engine needed replacing. Unhappy with the car's quality, she approached the dealership about what had happened.

Miss B was unable to successfully resolve matters with the dealership so the complaint was referred to Lendable who arranged for an independent inspection to take place. The inspection said it was highly unlikely the issue was present at the point of sale because of the number of miles the car had been driven since Miss B acquired it.

Following this, Lendable issued a final response letter which said that based on the findings of the independent report, they didn't think the car was of unsatisfactory quality when it was supplied.

Miss B didn't agree with this and so organised for another independent inspection to take place. This inspection said the evidence suggested the fault with the engine was not present at the point of purchase.

Miss B also said she thinks the car has been misrepresented as it was sold with a full service history but it has since become apparent that this isn't the case.

Unhappy with the response from Lendable, Miss B referred her complaint to our service. One of our investigators looked into things and said they didn't think Lendable needed to do anything further. They said this because both independent reports said the engine failure was unlikely present at the point of supply.

Miss B disagreed, and asked for a final decision on the case, so it has been passed to me to 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.

Miss B has gone into great detail in setting out her concerns, and while for reasons of brevity I might not address each aspect individually here, I'd like to assure her that I've carefully read and considered all that she's said. Where I haven't directly addressed a complaint point individually, it's because I'm satisfied doing so would have no material impact on the overall

outcome.

Miss B acquired her car using a hire purchase agreement and so The Consumer Rights Act 2015 ("CRA") is a relevant legislation for this complaint. The CRA sets out expectations and requirements around the quality of goods supplied. In summary, goods should be of satisfactory quality. Section 9 of the CRA says that goods are of satisfactory quality if they meet the standard that a reasonable person would consider satisfactory. When considering the quality of a car, the age, mileage and price are things that need to be taken into account.

Two independent reports have been carried out on Miss B's car.

Miss B believes the report she arranged directly contradicts the report arranged by Lendable. She said the report arranged by Lendable was based on assumptions and didn't provide evidence that the fault wasn't present at the point of sale.

I've carefully considered both reports, and after doing so, I think they're broadly similar in confirming there is a fault with the engine. Both agree that the fault didn't occur because of Miss B's failure to maintain the car. Crucially, both reports conclude that the fault Miss B's car experienced wasn't present at the point of sale.

Miss B has highlighted that the inspection she organised said: *'Many of the failed items within the engine may have been averted if the vehicle had been subjected to the correct maintenance and servicing conditions.'*

She says this is significant because of the missing service history in 2020 and 2021. I've considered her arguments around this, but a service was carried out after these dates- and I would've expected this to have highlighted any issues.

The further comments from Miss B's inspection also don't say that the missing services are definitely the reason for the engine issues. So, I'm not persuaded that the missing service history meant that it's likely the car was of unsatisfactory quality at the point of purchase or contributed to the engine failure.

I know Miss B feels that as the damage to the car wasn't her fault, she shouldn't be liable for the repairs. I've considered the CRA, and in particular what it says about a car being of unsatisfactory quality. In doing so, I've considered the car's age, mileage and the price Miss B paid for it. After doing so, in conjunction with the findings of both independent reports, I think a reasonable person would say that the car was of satisfactory quality at the time of sale.

Misrepresentation of the agreement

I know Miss B feels that the car was misrepresented to her. This is because it was sold with a full service history when two years were missing.

A misrepresentation is when a false statement of fact has been made and this false statement induces a customer to buy a car.

It isn't in dispute that there was a misrepresentation in the service history and so a false statement of fact has been made. I then need to consider if the false statement induced Miss B into the purchase of the car.

Miss B has said a full service history was important to her because she had just started a new job that required her to travel 100–200 miles per week. Because of this, she wanted the car she purchased to have a full service history to ensure her peace of mind.

I've considered what Miss B has said but I don't believe she was induced into the contract. This is because, she didn't request the full service history at the time of purchase. She only asked for it after her car broke down. If a full service history was important to someone, I would expect them to have requested this at the point of purchase or very soon after.

Miss B has said that because of the missing service history she is unable to claim for the engine failure on the manufacturers scheme. From the evidence available, there is no guarantee that the repair would be covered by the scheme, or that the manufacturer wouldn't have taken a more pragmatic approach in the absence of the service history.

So, for all the reasons set out above, I can't say Lendable need to do anything more in this case.

Lendable has already made an offer to settle the complaint which differs from the outcome of this decision. Miss B should contact Lendable directly if she now wishes to accept this.

My final decision

My final decision is that I don't uphold this complaint for the reasons set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 21 October 2025.

Ami Bains
Ombudsman