

The complaint

Mr N complains that the car he acquired through Marsh Finance Limited (“Marsh”) wasn’t of satisfactory quality. He wants Marsh to accept his rejection of the car and to cover his costs in hiring a temporary replacement.

What happened

Mr N entered into a hire purchase agreement in August 2024 to acquire a used car. The cash price of the car was £3,990, and the total repayable was £4,752.48, and was to be repaid through the credit agreement which was set up over a 36-month term with monthly payments of £104.23. At the time of acquisition, the car had already been driven around 90,000 miles and was just over nine years old.

Mr N told us:

- Shortly after acquiring the car, he had it serviced, but it broke down a short time later;
- he took the car to a local garage as it could no longer be driven, and an inspection found no oil in the car, even though it had recently been serviced;
- he was advised that the car’s engine was likely burning oil at a higher rate than it should;
- he reported the matter to Marsh, and it arranged for an independent inspection, but he doesn’t agree with the findings of the inspector;
- he doesn’t drive the car very much – only a couple of times each week, but he can’t drive it more than 100 miles without having to add more oil to it
- a third-party roadside recovery firm had said there were minor oil leaks in the engine, but that these were not enough to lose the quantity of oil reported;
- he wants to reject the car and have his costs for a temporary replacement covered.

Marsh rejected Mr N’s complaint about the quality of the car it had supplied. It said it hadn’t seen any evidence that the problems with the car were present or developing at the point of supply. It explained that following the independent inspection, there was no finding that the car it supplied had not been of satisfactory quality, and it could not be held liable for what had happened.

Our investigator looked at this complaint and said he didn’t think a complaint about the quality of the supplied car should be upheld. He said the based on the evidence he’d seen and the independent inspection report, there simply wasn’t enough evidence to persuade him that there was a fault with the car. Because of this, he couldn’t conclude that the car supplied by Marsh was not of satisfactory quality.

Mr N disagreed and provided more information and documentation about the car and the findings of his garage. Our Investigator provided these to the independent inspector and asked it to review its position and see if this new information made a difference to its conclusions.

The independent inspector reviewed the additional information but said that its original position remained unchanged. It added that the car’s oil consumption levels were within the

manufacturer's acceptable consumption tolerance. Taking this into account, our Investigator said that he couldn't recommend that Marsh needed to do anything to put things right.

Mr N 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 – and I'll explain why.

I hope that Mr N 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 N 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 N is a regulated consumer credit agreement this Service is able to consider complaints relating to it. Marsh 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 N 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 Marsh can show otherwise. But, if the fault is identified after the first six months, then it's for Mr N to show the fault was present when he first acquired the car. So, if I thought the car was faulty when Mr N took possession of it, and this made the car not of a satisfactory quality, it'd be fair and reasonable to ask Marsh to put this right.

I don't think there's any dispute that Mr N has experienced problems with the car. That has been well evidenced by both his testimony and the information he's sent us. But, whilst I accept that he's clearly experienced problems with the car, Marsh would only be responsible for putting things right if I'm satisfied that there is a fault with the car, and that this fault was present or developing when the car was supplied – that is to say, the car wasn't of satisfactory quality when Mr N first acquired it.

The third party instructed by Marsh to carry out an independent inspection of Mr N's car is a recognised expert in this arena and regularly produces independent reports for consumers

and businesses in these sorts of situations. From reading its report, it's clear that it was provided with an accurate background that clearly set out the issues.

In their report, the engineer said the following:

- *The customer has reported a fault with the timing belt. However, the customer's local garage inspection did not mention a timing belt issue but instead noted that the oil level was low, and that the vehicle did not appear to have been serviced.*
- *The customer has supplied documentation indicating that a service was carried out following the purchase of the vehicle, which contradicts the findings of the appointed garage.*
- *Mr N told us "The timing belt isn't the problem; it's the oil level. I had the car serviced, and it ran out of oil within a few months".*

So, I'm satisfied that the independent inspector was given accurate information and background about what needed examining and investigating – oil consumption and not the timing belt.

But Mr N simply saying there's a problem with oil consumption isn't enough to hold Marsh responsible for repairing the car or accepting its rejection. The legislation says that this will only be the case if there's a fault with the car, and that fault was present or developing at the point of supply; the car supplied was not of satisfactory quality.

The independent report went on to address this, and the independent engineer made the following points:

Engine inspection:

- *Evidence of oil leakage was present.*
- *The timing belt was visually inspected where accessible, with no faults noted.*

Engine Operation:

- *The engine was started with no unexpected noises or excessive smoke from the exhaust.*

Exhaust inspection:

- *The exhaust tip was inspected, with no excessive carbon build-up found.*

Road Test:

- *The vehicle was road-tested, with no evidence of excessive smoke, unusual noises, or performance issues.*
- *The engine and transmission operated as expected for a vehicle of this age and mileage.*
- *No coolant or oil leakage was noted in or around the engine bay.*

The report concludes: *"No excessive smoke was noted to confirm the owner's concern about excessive oil consumption.*

Oil Consumption Assessment: The owner stated that they had to top up the oil within a few months of purchase, indicating a lack of regular oil level checks. Manufacturer tolerances suggest acceptable oil consumption at approximately 1.2L per 1,000 miles. The recorded consumption of 1L per 1,000 miles is within manufacturer tolerance. No evidence of excessive oil consumption was found at the time of inspection".

So, on the basis that the independent inspector found no fault with the car – the level of oil consumption is as to be expected, I simply cannot conclude that the car was of unsatisfactory quality when it was supplied.

I've considered Mr N's comments and concerns and his additional documentation and evidence, but I don't think this makes a difference. The independent inspector was contacted by this Service and Mr N's additional information was provided for further review and clarity.

It reviewed the additional evidence and advised that "Following a full review of the new material, we confirm our original position remains unchanged...Based on all available evidence, including the MOT history, customer's own mileage/oil figures, and our physical inspection...There is no verified evidence of excessive oil consumption beyond manufacturer tolerances".

So, it's clear to me that the engineer makes no cautionary statements about the conclusions reached. The instruction of an independent inspection is what's required and expected of Marsh in these circumstances. And in the absence of any other persuasive and independent evidence to the contrary, I'm not persuaded that Mr N's car was of unsatisfactory quality when supplied. So, I can't hold Marsh responsible for the problems Mr N says he's experiencing with it in this respect. And although Mr N's garage has a different view about things, it's not independent.

Taking into account all the evidence, I can't uphold this complaint. I know Mr N will be disappointed with this decision, but I hope he 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 N to accept or reject my decision before 12 November 2025.

Andrew Macnamara
Ombudsman