

The complaint

Miss L complains that a car that was supplied to her under a hire purchase agreement with Carmoola Limited wasn't of satisfactory quality.

What happened

A used car was supplied to Miss L under a hire purchase agreement with Carmoola that she signed in September 2024. The price of the car was £7,995, Miss L paid a deposit of £500 and she agreed to make 49 monthly payments of £211 and a final payment of £212 to Carmoola. Miss L says that within the first 2 weeks she found oil leaking from the car, so she took it to a local garage and it tightened the oil plug which fixed the leak and it didn't charge her. Miss L had further issues with the car which were repaired by the garage and she complained to Carmoola about those issues in March 2025.

It said that it couldn't confirm whether the issues were due to wear and tear or were present when the car was purchased and, due to the time between purchasing the car and reporting the complaint, Miss L was required to prove that the car was faulty at the point of purchase, but she hadn't provided sufficient evidence of that, so it was unable to offer further assistance with repairs or provide reimbursement. It offered to assist Miss L by a return of the four monthly payments she made during the repairs, totalling £844, a payment holiday for the next month or two, and a further £100 as a gesture of goodwill.

Miss L didn't accept its offer and referred her complaint to this service. Her complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that as Miss L hadn't let Carmoola know that the car was faulty until after the repairs were carried out, it hadn't been able to assess the car each time it developed a fault and there was no way of knowing what caused the fault and whether it was down to wear and tear or the car being faulty at the point of sale. She thought that Carmoola's offer to pay a total of £944 to Miss L was fair and, without any evidence of the car being of unsatisfactory quality at the point of sale, it wouldn't be fair to ask it to refund all of the repair costs. Miss L hasn't accepted the investigator's recommendation and has asked for her complaint to be considered by an ombudsman.

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.

Carmoola, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Miss L. Whether or not it was of satisfactory quality at that time will depend on a number of factors, including the age and mileage of the car and the price that was paid for it. The car that was supplied to Miss L was first registered in October 2015, so was nearly nine years old, it had been driven for 66,795 miles and the price of the car was £7,995. Satisfactory quality also covers durability which means that the components within the car must be durable and last a reasonable amount of time, but exactly how long that time is will depend on a number of factors.

The car had passed an MOT test, with no advisories, in May 2024 and its mileage was recorded as 65,306 miles. The car was supplied to Miss L in September 2024 and its mileage at that time was 66,795 miles, so in about four months since it had passed the MOT test it had only been driven for another 1,489 miles. Miss L says that within the first 2 weeks she found oil leaking from the car, so she took it to a local garage and it tightened the oil plug which fixed the leak. She says that her collection of the car had been postponed by the dealer several times due to an oil leak. She says that she lives near a trustworthy garage that her parents have used so she took the car to that garage but, as she was aware from the dealer that there had been an oil leak, I consider that it would have been reasonable to expect her to have contacted the dealer about the leak at that time.

Miss L had further issues with the car and she's provided invoices from the garage for work on the car three times in December 2024, twice in January 2025 and once in March 2025. The total cost of the work was £4,951.32. and included a new turbo in January 2025 and a clutch kit and flywheel replacement in March 2025. The invoices describe the work that had taken place, but don't say what caused any faults and don't say whether or not the faults would have been present or developing when the car was supplied to Miss L.

The car was seen by the garage at least four times before a turbo fault was diagnosed and at least seven times before the clutch kit and flywheel replacement. The car passed an MOT test in March 2025, when its mileage was recorded as 70,019 miles, and Miss L complained to Carmoola about the car later that month. As Carmoola wasn't contacted about the issues with the car until after they'd been repaired, it hasn't been able to properly investigate those issues to determine whether or not they were likely to have been present or developing when the car was supplied to Miss L.

The car was more than nine years old at the time of the first invoice from the garage and its mileage is recorded on that invoice as 69,385 miles. I've carefully considered all that Miss L has said and provided about her complaint, but I'm not persuaded that there's enough evidence to show that the faults with the car that have been repaired were present or developing when the car was supplied to Miss L or that they caused it not to have been of satisfactory quality at that time. I find that it wouldn't be fair or reasonable in these circumstances for me to require Carmoola to reimburse Miss L for the repair costs that she's incurred or to take any other action in response to her complaint.

I appreciate that my decision will be disappointing for Miss L, particularly in the circumstances that she's described. Carmoola offered to assist Miss L by returning four monthly payments, totalling £844, to her, a payment holiday for the next month or two, and a further £100 as a gesture of goodwill. I consider that to have been a fair and reasonable offer, but Miss L didn't accept it. If Miss L now wishes to accept that offer, I suggest that she

contacts Carmoola about it.

My final decision

My decision is that I don't uphold Miss L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 24 December 2025.

Jarrold Hastings
Ombudsman