

The complaint

Mrs G complains about problems she has had with a car Tandem Motor Finance Limited (Tandem) supplied to her under a hire purchase agreement.

What happened

The parties are familiar with the background to this complaint – so I will only summarise it briefly here.

Mrs G entered into a hire purchase agreement with Tandem in April 2024 to purchase a used car. The cash price of the car was £10,500. This was funded – in part – by £9,000 in finance. The total amount due under the agreement, including interest and charges, was £13,303 to be repaid through 59 monthly instalments of £221.55, followed by a final monthly instalment of £231.55 (including an Option to Purchase Fee of £10).

In July 2024, following a service, the vehicle required new rear brake discs and brake pads.

In October 2024 the engine management light illuminated, and the vehicle broke down. It was attended by a roadside assistance firm who towed it back to Mrs G's home. It was later recovered by a local garage to investigate the fault.

At this time, Mrs G contacted the broker (Business Z) about the problems she was having with the car. In November 2024, Business Z arranged for an independent inspection of the vehicle to be carried out by an engineer (I'll refer to this report as 'Report 1'). Relying on the findings from Report 1, Business Z issued a final response letter in which it did not uphold the complaint.

In December 2024 Mrs G raised her concerns about the car with Tandem. After gathering information regarding this matter from Business Z, Tandem issued its final response letter in January 2025 in which it did not uphold the complaint. In short, Tandem said that *taking into consideration the substantial amount of time and mileage successfully elapsed since purchase, [it] did not consider the defects to have been developing at the point of sale.*

Unhappy with this, Mrs G referred her complaint to our service in January 2025.

One of our investigators looked into Mrs G's complaint and, in March 2025, issued her opinion. In short, our senior investigator said that, taking into consideration the contents of Report 1 alongside the overall mileage and age of the vehicle, as well as the additional mileage since supply, the problems appear to be due to a reasonable level of wear and tear, as well as vehicle's oil not being regularly checked.

In response to our investigator's opinion, Mrs G arranged for a further inspection of the vehicle to be undertaken by the repairing garage (Report 2). Upon receipt of this report, our investigator reviewed everything again and – having done so – her opinion remained unchanged.

As an agreement couldn't be reached, the complaint has been passed 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've reached the same conclusion as the investigator and I do not think the complaint should be upheld. I know this will come as a disappointment to Mrs G, but I'll explain why I think this is a fair outcome in the circumstances.

However, before I do, I'm aware that I've summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

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 argument or piece of evidence to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Lastly, I would add that where the information I've got is incomplete, unclear or contradictory, I've based my decision on the balance of probabilities.

The agreement in this case is a regulated consumer credit agreement. As such, this service is able to consider complaints relating to it. Tandem was also the supplier of the goods under this type of agreement, and responsible for a complaint about their quality.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says, amongst other things, that every contract to supply goods is to be treated as including a term that the quality of the goods is satisfactory.

The Consumer Rights Act 2015 says the quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances. So, it seems likely that in a case involving a car, the other relevant circumstances a court would take into account might include things like the age and mileage at the time of sale and the vehicle's history.

The Consumer Rights Act 2015 says 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 goods.

Tandem did not supply Mrs G with a new car here. The car was nearly seven years old and had travelled just over 95,700 miles at the point of supply. And while it was certainly not an inexpensive car – the price was a good deal less than it would have been new.

So, I think it is fair to say that a reasonable person would expect that it would not necessarily perform as well as a new car. And there would be a risk – if not an inevitability - of wear and

repairs arising from previous use and maintenance by former users. In other words, there's a greater risk this car might need repair and/or maintenance sooner than a car which wasn't as road-worn.

I don't think there's any dispute that Mrs G has experienced problems with the car. This has been well evidenced by, amongst other things, information from the roadside assistance

firm, Report 1, Report 2 and Mrs G's detailed testimony.

But the simple existence of faults in itself isn't enough to hold Tandem responsible for repairing the car or accepting its rejection. The legislation says that this will only be the case if the fault was present or developing at the point of supply.

The first problem Mrs G experienced with the vehicle was in July 2024 when replacement rear brake pads and brake discs were required.

Under the Consumer Rights Act 2015, where a fault occurs within the first six months, it is assumed that the fault was present or developing at the point of supply and its generally up to the business to put things right. After six months the burden of proof is reversed and it's up to the consumer to show that the fault was present or developing at the point of supply.

In considering this matter, I've taken into account the overall age and mileage of the car, including the mileage added since the car was supplied. I've already said that I'd expect a used car to have a degree of wear and tear. In particular, I wouldn't expect component parts on a used car to be in "as new" condition. It's reasonable to expect a used car to require replacement parts and/or repairs sooner than a new or nearly new car.

Mrs G had been driving the car for around three months by the time the rear brake pads and brake discs needed to be replaced. And, in that time, the car had covered around 4,000 miles. I accept that the brake pads and brake discs may have been showing signs of wear at the point of supply, but this doesn't mean it is faulty or that the car isn't of satisfactory quality. There's no evidence that the brake pads or discs had inherent defects. Indeed, I note that there were no advisories in the MOT carried out around the point of supply in April 2024. Therefore, I think that the brake pads and brake discs needed to be replaced because of reasonably expected wear and tear and they do not render the vehicle of unsatisfactory quality at the point of supply.

Putting these issues to one side, I have turned to consider the other problems with the car.

The next problem Mrs G experienced with the car was when it broke down in October 2024 whilst she was driving on a busy road. I would like to take this opportunity to acknowledge what a frightening experience this must have been, particularly as I understand Mrs G was with her young child at the time. I have every sympathy for Mrs G.

As I've said, under the Consumer Rights Act 2015, where a fault occurs within the first six months, it is assumed that the fault was present or developing at the point of supply and its generally up to the business to put things right, unless the business can show otherwise. This incident occurred within six months from the point of supply. I've kept this in mind when considering this matter.

In response to Mrs G raising her concerns with Business Z, it arranged an inspection of the vehicle to be carried out, as a result of which Report 1 was produced. Business Z did not uphold the complaint based on this report. Importantly in the context of the complaint at hand, Tandem also relied on Report 1 when consider Mrs G's complaint. Report 1 says:

In our opinion, there is an evident lubrication related concern.

Based on our experience with [this type of engine], it is considered that the initial cause was wear to the turbocharger bearing, allowing oil bypass through the seal, resulting in oil consumption and DPF (diesel particulate filter) blockage.

It is considered that regular maintenance checks would have alerted the operator to a depleting oil level.

It is also considered that all of the stored fault codes could not have all suddenly occurred at the point of breakdown, therefore it is considered that there has been an element of drive on damage in this instance.

It appears that the increased backpressure from the blocked DPF has increased crankcase pressure and there have been ongoing oil leaks, further indicative of this not suddenly occurring without warning.

Report 1 goes on to say:

We can conclude that there is evidence to suggest that there has been an ongoing turbo and exhaust aftertreatment issue, which has been left unattended, resulting in oil consumption and further damage.

It is not considered that this level of damage could have occurred without warning, and therefore, it is considered that there may be drive-on damage present to the engine.

The defect would not have been developing at inception.

Report 1 appears credible¹ to me and is sufficiently detailed. Further, it includes a statement of truth to the court – so I have given it appropriate weight here. With this in mind, it is difficult for me to make a finding that the car is not of satisfactory quality in light of said report which finds otherwise.

Mrs G disputes the conclusions reached in Report 1. In doing so, Mrs G says she *had no indication that there was a developing issue, and had [she] known, [she] would have immediately stopped driving and had it checked by a garage. Given that [she] serviced the car and took good care of it, it doesn't make sense that [she] would have knowingly allowed a fault to worsen to the point that the car is now in such a damaged state.*

In support of this position, Mrs G has provided evidence that she had the vehicle serviced in early July 2024 – at which time the oil filter was replaced and engine oil was changed². I note that there is no indication that there were any issues with the engine at this time - and neither does any of the MOT history indicate there were any failures or advisories relating to any possible engine issues, such as an oil leak.

Mrs G also provided initial comments from the repairing garage – produced in February 2025 – who *found that the turbo charger has failed causing oil contamination into the engine intake and exhaust systems. On checking the oil level dipstick, the oil level was low but still above the minimum indicate mark.*

The engineer went on to say that, on checking the vehicle electronic system (including details about the last service and DPF regeneration), the vehicle appears to have been maintained correctly. Finally, the repairing garage note that its *turbo suppliers have advised this type of engine is prone to excessive wear on the crankshaft and bearings causing*

¹ I do, however, find it somewhat difficult to reconcile Report 1's conclusion that *there is an evident lubrication related concern* despite earlier noting that at the time of the inspection the *engine oil was low, although above the minimum*. But I don't think this undermines the overall credibility of the report or otherwise impacts the conclusion I've reached.

² The issues with the rear brake pads and brake discs – about which I've already set out my findings - were also identified at this time.

contamination of the engine oil. This contamination has been proven to ingress into the turbo from the oil feed system causing the turbochargers to fail.

In response to our investigator's opinion, Mrs G arranged for the repairing garage to carry out a further inspection (Report 2) in which the engineer stripped and inspected components of the vehicle, including the oil pump. In Report 2, the engineer said:

[There is] excessive wear marks on big end and main bearings [and on] the cylinder bores. This would suggest a long-term wear fault even though the vehicle has been maintain [sic] by the current owner.

Report 2 went on to say:

The oil pump was also found to have poor manufacturing quality and wear when stripped and inspected.

It is well known...that these engines are prone to bottom end failures resulting in excessive oil consumption and turbocharger failures.

It does not appear to be in dispute that the turbocharger bearings failed which, ultimately, resulted in engine failure. But there are varying opinions on what caused the bearings to fail and whether it was a problem present or developing at the point of sale. After all, Report 1 suggests that the problems stemmed from drive-on damage and was not a fault present or developing at the point of sale. Whilst Report 2 suggests crankshaft bearing debris caused the turbocharger to fail and this was as a result of a long-term fault.

With that being the case, it is for me to determine on the balance of probabilities – taking into account all the circumstances of this case – whether it is more likely than not that the faults were present or developing at the point of sale and, if so, whether the car was of unsatisfactory quality as a result.

As our investigator noted the car has not been serviced in-line with the manufacturers recommended service schedule – although not significantly so - prior to the vehicle being supplied to Mrs G. As this was a used car there is no requirement for there to be a perfect service history. And it is possible a lack of maintenance at various stages in the car's usage *may* have contributed to the wear and tear on the turbocharger which led to the engine damage.

Further, as our investigator noted, it does appear the vehicle was driven over 5,000 miles after the oil change in July 2024 until the engine failed in October 2024 (at which point the oil level was found to be low). This is in excess the recommended mileage/time within which the oil level should be checked which *may* have contributed to the issue going undetected until the engine failed. This lends weight to the persuasiveness of Report 1.

However, putting that to one side, I think there are other issues at play here.

As I've said, this was a used car and there is an expectation that there is likely to be some wear and tear on the components of a car. The car had travelled nearly 105,000 miles – including around 9,200 miles in Mrs G's possession - when the engine failed. Car engines – and turbochargers specifically - operate at high rotational speeds and at high temperatures and are therefore subject to friction. It is, therefore, reasonable that the component parts, however well built, will wear over time.

Turbochargers generally last around 100,000 miles – and other components of the engine such as cylinder walls and crankshaft bearings can show signs of age-related wear at this

mileage – even if a vehicle is serviced correctly³. So, considering the overall mileage of the vehicle at the time these components failed, it seems, on balance, they were likely approaching the end of their serviceable life.

Therefore, I'm not persuaded that wear of the turbocharger bearing (or crankshaft bearing) at this stage – and the problems that flowed from that - necessarily made the car not of satisfactory quality at the point of supply. Instead, it seems it was a serviceable part approaching the end of its expected lifespan. I say this bearing in mind that it seems unlikely, on balance, that Mrs G would have been able to drive the car for around 9,200 miles if it had an inherent problem with the engine that was developing or present at the point of supply.

I sympathise with Mrs G, who I don't doubt has had to pay (or will need to pay) out a good deal of money on work that needed (or needs) doing to the car. What's more, I acknowledge that Mrs G has gone to a great deal of time and effort to support her case. But based on what I've seen - and bearing in mind the overall age and mileage of the car - I am not persuaded that there was an inherent problem with the car that was present or developing when it was supplied such that it would be considered of unsatisfactory quality.

Although I do not have sufficient evidence to fairly conclude the issues with the vehicle were present at the point of sale I have also thought about durability – which is a factor when considering satisfactory quality under the Consumer Rights Act 2015. However, here I note that the problems Mrs G encountered with the vehicle were identified after the vehicle had travelled around 105,000 miles - which is significant mileage – and where it would reasonably be expected that there is a risk of more significant component failure. When buying a second-hand car with significant mileage it is reasonably expected that there is a risk some (even major) components might need replacing sooner than on a newer less road worn car. And unless the dealer specifically sold the car as having certain components replaced for new ones – which the available evidence doesn't point towards - I don't think there is a breach of contract in this regard.

I am sorry to hear about the upset and stress this matter has caused Mrs G. And I understand Mrs G is likely to be disappointed by my decision in what is not a clear-cut case. However, my role is to resolve disputes informally and, having reviewed everything provided by both parties, I find Tandem don't need to do anything further to resolve this complaint.

Mrs G does not have to accept my findings and if she wishes she can pursue her dispute through more formal avenues such as court (seeking appropriate legal advice as she sees fit).

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 Mrs G to accept or reject my decision before 25 September 2025.

Ross Phillips
Ombudsman

³ Likewise, DPFs typically last around 100,000 miles before they may need replacing or needing cleaning. Although the DPF does regenerate this process doesn't remove all the soot contained within it and this gradually builds up over time, meaning the DPF regenerates more often.