

The complaint

Mr K is unhappy that a car supplied to him under a hire purchase agreement with MotoNovo Finance Limited (MFL) was of an unsatisfactory quality and had been mis sold.

When I refer to what Mr K has said and what MFL have said, it should also be taken to include things said on their behalf.

What happened

On 28 September 2025 Mr K was supplied a car by MFL via a hire purchase agreement. The car was first registered in May 2021 and the agreement showed that it had covered 68,139 miles at the time of supply. Mr K paid no deposit and was due to pay 59 monthly payments of £408.27, followed by one payment of £409.27.

Shortly after purchase Mr K experienced issues with the car and had concerns as to whether it had been mis sold. These were as set out below and he raised them with MFL and the supplying garage:

- There was a discrepancy in the mileage. The documentation stated that the car had travelled 68,139 miles when it had in fact travelled 68,142 miles.
- The car should have been serviced before supply, but it was not.
- The car should have had a 123-point inspection carried out, but Mr K did not believe that this had been done correctly.
- The brakes need replacement and the dealer's response to this has not been adequate, as has their general post supply service/attitude.
- He was not happy with the time taken by MFL to resolve his complaint.

There were some interim communications between MFL and Mr K and they issued their final response on 7 March 2025. They partially upheld his complaint. They offered him a total of £250 compensation made up of:

- £50 for the discrepancy in mileage.
- £100 for the fact that the service had not taken place (although they noted that this had now been rectified).
- £100 for the time taken for them to resolve his complaint.

They did not uphold the fact that the 123-point inspection had not been carried out correctly. They noted that an independent inspection had confirmed that the car was in satisfactory condition.

As Mr K was not happy, he complained to us.

On 25 July 2025 our investigator issued their view on the case. Whilst acknowledging there were issues with the car they felt that there was not an inherent fault that made the car of unsatisfactory quality. They referenced the two vehicle health checks and the independent expert examination as evidence of this. They felt that the £250 compensation already offered

by MFL was sufficient compensation for the issues that Mr K had experienced, so they did not uphold the complaint.

On 28 July 2025 Mr K contacted us to let us know that he did not agree with the investigator's decision. Central to this was the fact that he was never made aware that the car would require immediate work when they were in the process of purchasing it. He was also clear that he was not happy with how the dealership had dealt with his complaint.

As Mr K did not agree with the investigator's view the matter has been passed to me to consider.

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.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

Mr K was supplied with a vehicle under a hire purchase agreement. This is a regulated consumer credit agreement which means we are able to investigate complaints about it.

Customer service provided by a supplying dealership is not a regulated activity so I cannot consider it as part of this complaint, although if I do uphold Mr K's complaint it may influence any amount of compensation I award.

The Consumer Rights Act 2015 (CRA) is of particular relevance to this complaint. It says that under a contract to supply goods, there is an implied term that "the quality of the goods is satisfactory". The CRA 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 vehicle, 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 CRA 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. Where goods are second hand, as in this case, due regard must be had to the price, age and any description applied to the vehicle.

The CRA also states that where goods are sold by description there is a clause included in the contract that the goods must match the description. So, the description applied to the car is not just important in terms of deciding whether it is of satisfactory quality but also if it has been misdescribed.

So, if I thought the vehicle was faulty or not fit for purpose when Mr K took possession of it and this made the vehicle not of a satisfactory quality, it'd be fair and reasonable to ask MFL to put this right. Equally if I thought that the vehicle had been misdescribed then it would also be fair and reasonable to ask MFL to put this right.

The CRA sets out some key dates post contract with regards the burden of proof in relation to the goods being of unsatisfactory quality. The CRA gives the consumer the automatic right to reject if the goods are not of satisfactory quality and that fault is discovered within 30 days. After that period but before six months the burden of proof is on the business to show

that the faults were not present at supply and the goods are of satisfactory quality. After six months the burden of proof then resides with the consumer.

Mr K was supplied with a car that was over three years old and had travelled 68,142 miles at the time of supply. That means it is reasonable to expect the car to have faults and wear commensurate with a car of that age and mileage.

As Mr K has raised concerns within six months of supply the onus is on MFL to show that the car is of satisfactory quality.

There are two key documents that I need to consider. The first is a vehicle health check from an independent garage dated 19 December 2025, when the car had travelled 69,969 miles. All elements looked at as part of this check were green except two. These were amber. One related to the space saver retaining nut being missing and the other were that the rear brake pads were at 50% wear and the discs were starting to corrode.

The second document was an independent expert examination of the car carried out on 3 March 2025 when the car had travelled 71,589 miles. This concluded that the car was roadworthy and the general condition is acceptable for a car of the age and mileage. The report did note that whilst roadworthy the rear brake pads and discs would need replacement at the next routine service.

Looking at various trusted sources on the internet life of brake pads is in the region of 25,000 – 65,000 miles and discs between 50,000 – 80,000 miles. So on 3 March 2025, over five months and 3,000 miles from supply, the brakes were still legal and required replacing only at the next routine service. This is commensurate with fair wear and tear. In any event I can see from an email to Mr K dated 10 February 2025 that MFL have agreed to replace them when they need doing as a gesture of goodwill. I also understand that the 12v battery and a fuse for the rear wiper have been replaced.

On the balance of probabilities, I feel that the two independent checks on the car show that the car was of satisfactory quality when supplied.

I will now move on to consider any misdescription and potential mis selling of the car.

The agreement clearly states that the car had covered 68,139 miles, whereas in fact it had covered 68,142 miles. Whilst in the strictest definition this is a false statement it is not of material impact. A three mile discrepancy on a car that had travelled 68,142 miles does not impact on either the value or quality of the car. My understanding is that this discrepancy has been rectified and the dealership directed to reissue correct paperwork. I also note that MFL have agreed to pay £50 compensation in relation to this, and I believe that given the impact is not material then this is a reasonable sum.

In terms of the service I understand that the car was meant to have been serviced prior to being supplied but this was missed. I further understand that this has now been rectified and the car has been serviced, which has included replacing the 12v battery and fuse for the rear wiper. There is also an agreement to replace the rear brake pads and discs when required. I also note that MFL have offered Mr K £100 compensation for the inconvenience caused by this mistake. As stated above the car was of satisfactory quality and Mr K has now been put in the position had the service been done prior to supply. I feel that the £100 compensation offered is fair and reasonable in those circumstances.

Looking at the supplying dealer's website it clearly shows that 123 vehicle quality inspection is undertaken on every car supplied. The file contains a health check for the car that was carried out on 15 August 2024, so I am content that these checks were carried out. This is

further supported by the fact that subsequent independent checks on the car only found advisory issues and no significant fault with the car.

I note that MFL have also provided Mr K with an additional £100 compensation because they were not able to resolve his complaint within a reasonable time frame. This brings the total compensation to £250.

For the reasons set out above I am of the opinion that the car supplied is of satisfactory quality. MFL have acknowledged there have been shortcomings in how the car was described/supplied to Mr K. Having rectified the faults, such as servicing the car, I believe that the compensation offered by MFL is fair and in line with what I would have directed them to provide.

My final decision

I do not uphold this complaint against MotoNovo Finance Limited

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 19 October 2025.

Leon Livermore
Ombudsman