

The complaint

Miss D complains that the car she acquired financed through a hire purchase agreement with MotoNovo Finance Limited wasn't of satisfactory quality.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In November 2023 Miss D acquired a used car financed through a hire purchase agreement with MotoNovo. In September 2024 Miss D raised a complaint with MotoNovo. She said she'd experienced multiple problems with the vehicle. When MotoNovo did not uphold the complaint due to lack of evidence that faults were present or developing at the point of sale Miss D commissioned an independent inspection. MotoNovo subsequently upheld the complaint and agreed to repair the vehicle. Miss D didn't agree with the financial remedy offered by MotoNovo so she brought her complaint to our service. Miss D also complained that her accessibility needs had not been taken into account by the warranty company or MotoNovo.

Our investigator concluded the car wasn't of satisfactory quality at the point of supply and recommended that MotoNovo:

- Arrange for the repairs to be carried out at no cost to Miss D within a reasonable time scale
- Refund 20% of the payments she made between when the car was supplied and 19 September 2024 as the car wasn't operating as expected
- Refund any payments made by Miss D from 20 September 2024 until the repairs are carried out, taking into consideration the reimbursement for the hire car already made
- Pay 8% simple interest on the refunded amounts from the date of payment to the date of settlement
- Pay a further amount of £100 for any trouble and upset that's been caused due to the faulty goods. This is in addition to the £250 MotoNovo already offered to pay Miss D

MotoNovo agreed to the investigator's conclusions. It also agreed to pay for the storage charges of the car as it's been off the road. Miss D did not agree with the redress proposed and asked for a decision from an ombudsman. She made some additional comments to which I have responded below as appropriate.

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.

First of all I understand Miss D has recently been unwell. I'm sorry to hear this. I can see this has been a difficult time for her and her family. I want to reassure Miss D that I've read all of her submissions and I've listened to phone calls between her and our investigator. I'm not going to respond to every single point made by Miss D. No courtesy is meant by this.

Instead, I've focussed on what I think is the crux of the complaint. Our rules allow me to do this. This simply reflects the informal nature of our service. 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 point to be able to reach what I think is the right outcome.

In considering what is fair and reasonable I need to have regard to the relevant law and regulations, regulator's rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time. Miss D's hire purchase agreement is a regulated consumer agreement and as such this service can consider complaints relating to it.

MotoNovo, as the supplier of the car, was responsible for ensuring it was of satisfactory quality when it was supplied to Miss D. Whether or not it was of satisfactory quality at that time will depend on several factors, including the age and mileage of the car and the price that was paid for it. 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 several factors.

If I am to decide the car wasn't of satisfactory quality I must be persuaded faults were present at the point of supply. Faults that developed afterwards are not relevant, moreover even if the faults reported were present at the point of supply this will not necessarily mean the car wasn't of satisfactory quality. This is because a second-hand car might be expected to have faults related to reasonable wear and tear.

It's not disputed by either party that there are faults with the vehicle, which have rendered it of unsatisfactory quality. These include compromised engine performance (a faulty turbo wastegate) and heated seat failure. Miss D hasn't been able to use the vehicle since.

My role here is to decide on a fair and reasonable remedy. MotoNovo has accepted that repairs have previously been attempted and it has agreed to repair the vehicle again.

In her response to our investigator's second view Miss D said the proposed resolution inadequately considers her rights under the Consumer Rights Act. She contends the vehicle was not of satisfactory quality from the outset and, given the unsuccessful repair attempts she is therefore entitled to reject the vehicle, a right the proposed resolution disregards. I understand what Miss D is saying and rejection of the vehicle is a possible remedy. But I don't agree the investigator has disregarded it.

I listened to a call between our investigator and Miss D. There was a discussion concerning possible rejection of the vehicle. Miss D asked questions about what this would mean which the investigator answered. Miss D said at least twice during the call that she would prefer to have the vehicle repaired as this would be more convenient. I also note in her response to the view that she hasn't asked to reject the car. In her point four she explains her complaint regarding alleged harrassment at which point she said she "*request that MotoNovo arrange any necessary repairs with a Volvo specialist of my choosing.*" So I'm persuaded Miss D's preferred remedy is still for the car to be repaired. If the repairs to the faults relevant to this complaint fail again then I would expect MotoNovo to allow Miss D to reject the car.

Miss D has said she has faced discrimination and has had unsolicited contact from MotoNovo while the complaint was with this service which caused her distress. She said she would prefer not to have any further interaction with the selling dealership and, as noted above, that repairs are done at a garage of her choosing. I'm sympathetic to the fact Miss D requested some accessibility adjustments for neurodivergence. I'm not disputing Miss D's testimony but I've not seen anything specific which would indicate that MotoNovo has discriminated against Miss D or been harassing her. I note that around the time it called her

our service was requesting that MotoNovo refund towing charges, so it may be the calls were in relation to that to seek clarity, but I don't know for sure. By this decision MotoNovo will be aware that Miss D may need reasonable adjustments in its communication with her and I would expect it to take this into account, including when dealing with the garage.

I'm sorry to hear that Miss D has had difficulties with the garage. While I would expect MotoNovo to take into account Miss D's request for a different garage I am not able to direct it to use a specific garage for the repairs as this is a commercial decision.

Miss D reasonably stopped using the car from 20 September 2024 so MotoNovo must refund all payments made from that date until the date the car is repaired and returned to Miss D. MotoNovo did reimburse Miss D for a two-week period when she hired a car to keep herself mobile, so this payment should be taken into consideration when calculating any refunds.

Miss D has presented several receipts for travel costs she's incurred while the car has been off the road. As I am recommending all payments be refunded for this period of time our service wouldn't usually also direct the business to refund travel costs.

Miss D has explained how the situation with the car has affected her, especially as she has additional needs and a family. I can see it has caused her distress and inconvenience. MotoNovo offered £250 compensation and our investigator recommended a further £100 – a total of £350. I'm satisfied this is fair and reasonable and what I would normally expect in the circumstances.

Because the car hasn't been driven for quite some time Miss D is currently unable to start it. As this is related to the fact the car wasn't of satisfactory quality when supplied and Miss D hasn't been able to drive it for a long period of time I would not expect Miss D to pay for the car to be recovered to the garage for repairs, or for any repairs related to a flat or dead battery.

Miss D has had to declare the car off road and pay for storage. I'm pleased to see that MotoNovo has agreed to refund these storage costs.

Putting things right

To put things right MotoNovo must:

- Arrange for the repairs to be carried out, including recovery of the vehicle, at no cost to Miss D within a reasonable time scale
- Refund of 20% of the payments she made between when the car was supplied and 19 September 2024 as the car wasn't operating as expected
- Refund any payments made by Mis D from 20 September 2024 until the repairs are carried out, taking into consideration the reimbursement for the hire car MotoNovo already made
- Refund storage costs from 20 September 2024 to date of recovery on production of receipts
- Refund towing cost and cost of independent inspection on production of receipts if these have not already been refunded.
- Pay 8% simple interest on the refunded amounts from the date of payment to the date of settlement
- Pay £250 compensation already offered by MotoNovo if this has not already been paid
- Pay a further amount of £100 for any trouble and upset that's been caused due to the faulty goods.

My final decision

My final decision is I uphold this complaint and MotoNovo Finance Limited must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 22 December 2025.

Maxine Sutton
Ombudsman