

## **The complaint**

Mr A complains that a car that was supplied to him under a hire purchase agreement with MotoNovo Finance Limited wasn't of satisfactory quality.

## **What happened**

A used car was supplied to Mr A under a hire purchase agreement with MotoNovo Finance that he electronically signed in June 2024. The price of the car was £22,995, Mr A paid a deposit of £500 and he agreed to make 59 monthly payments of £475.89 and a final payment of £476.89 to MotoNovo Finance.

Mr A complained to MotoNovo Finance about issues with the car in November 2024 and it arranged for the car to be inspected by an independent expert in January 2025. It then said that it was unable to uphold his complaint because the independent expert concluded that the current faults with the car wouldn't have been present at purchase so it had no evidence with which to hold the dealer liable.

Mr A wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who initially recommended that it should be upheld. Mr A stopped making the monthly payments to MotoNovo Finance but it provided a letter from the independent expert confirming its original conclusion. Mr A notified this service in July 2025 that the car had been stolen and MotoNovo Finance has confirmed that the hire purchase agreement has been settled by Mr A's insurers.

The investigator looked at the complaint again and, having considered everything, didn't recommend that it should be upheld. He was persuaded that the faults with the car were due to a reasonable level of wear and tear and he thought that the car was of satisfactory quality when it was supplied to Mr A. He said that he couldn't fairly or reasonably ask MotoNovo Finance to take any further action in relation to Mr A's complaint.

Mr A didn't accept the investigator's recommendation so I've been asked to issue a decision on this complaint. Mr A says that all the trouble that he went through to have the dealer fix the car before escalating it hasn't been taken into account and that his credit file has been negatively impacted by the missed payments that MotoNovo Finance has reported to the credit reference agencies.

## **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.

MotoNovo Finance, as the supplier of the car, was responsible for ensuring that it was of satisfactory quality when it was supplied to Mr A. 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 Mr A was first registered in May 2018 so was six years old, the hire purchase agreement says that it had been driven for 70,899 miles and the price of the car was £22,995. 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.

Mr A says that the car's engine management warning light came on the day after the car was supplied to him so the dealer collected the car from him to fix the issue but the light came back on soon after the car was returned to him. He took the car to a manufacturer's dealer in September 2024 for a vehicle health check and it gave an amber warning for an excessive amount of soot and said that it suspected that the diesel particulate filter had failed. The car's mileage was recorded as 75,883 miles, so in less than four months since it was supplied to Mr A, the car had been driven for nearly 5,000 miles.

The dealer collected the car from Mr A and performed a diesel particulate filter regeneration but Mr A says that the warning light came back on so he took the car back to the manufacturer's dealer in November 2024 for further investigation. It said: *"... fault codes for both egr flow rate too high, c/O test steps and all sensors appear to be reading ok. Failed both egr test steps as too high flow rate. Checked for exhaust leaks and found upstream nox sensor to be leaking so req replacement and also tail pipe has excessive amounts of soot indicating dpf has failed"*.

Mr A then complained to MotoNovo Finance and it arranged for the car to be inspected by an independent expert in January 2025. The inspection report records the car's mileage as 79,708 miles and says:

*"In our opinion, based on the evidence available at the time of our inspection, upon starting the engine from cold, the engine started readily. There were no issues with the engine but the engine management warning light was illuminated on the instrument panel. We carried out a diagnostic check. There were diagnostic fault codes. These were: P14F84 — Signal minimum fuel level reached was received is a signal below the permissible limit value limit; P19BFA — The flow rate of the exhaust gas recirculation positioner (low pressure) is too low. Upon carrying out a 3-mile road test there were no faults with the vehicles engine and no smoke did illuminate. There were no evident misfires or lack of power. The vehicle drove and operated correctly. There was, however, an intermittent minor rattle coming from the rear interior of the vehicle. This is possibly an interior trim but we do believe that this is commensurate for the age and mileage of the vehicle. Further investigations into the engine management light and fault codes would be required but given that in excess of 9,000 had been covered since purchase, the faults would not have been present or in development at the point of sale"*.

MotoNovo Finance then said that it was unable to uphold Mr A's complaint because the independent expert concluded that the current faults with the car wouldn't have been present at purchase so it had no evidence with which to hold the dealer liable. I consider that to have been a fair and reasonable conclusion for MotoNovo Finance to have reached at that time. Mr A had discussed his complaint and the inspection report with MotoNovo Finance and it said that it understood that he disagreed with the independent expert's findings and it would reimburse him up to £250 for another inspection if an alternative engineer provided a contradictory opinion. Mr A hasn't provided an inspection report that provided a contradictory opinion.

One of this service's investigators initially recommended that Mr A's complaint should be upheld but the independent expert provided further evidence and said: *"... we do not consider that it would be reasonable to suggest that these would be unexpected and basically would be considered maintenance repairs to keep the vehicle in a serviceable state"*.

The car had passed an MOT test in June 2024, before it was supplied to Mr A and its mileage was recorded as 70,902 miles at that time. The dealer has provided the maintenance inspection report that was completed before the car was supplied to Mr A. There was an issue with the car because the engine management warning light came on soon after the car was supplied to Mr A but the dealer collected the car and tried to fix it. When the vehicle health check identified an excessive amount of soot, the dealer collected the car and performed a diesel particulate filter regeneration.

Further issues with the car were identified by the manufacturer's dealer in November 2024 but when the car was inspected by the independent expert in January 2025, there were no issues with the engine but the engine management warning light was illuminated. The inspection report says that further investigations into the engine management warning light and fault codes would be required but given that in excess of 9,000 miles had been covered in seven months since the car was supplied to Mr A, the faults wouldn't have been present or in development at the point of sale.

The car was six years old, had been driven for more than 70,000 miles and had passed an MOT test so was in a roadworthy condition when it was supplied to Mr A. There have clearly been some issues with the car and the dealer has performed a diesel particulate filter regeneration but when the car was inspected in January 2025 there were no issues with the engine. That was about seven months after the car was supplied to Mr A and in that time it had been driven for about 8,800 miles. I consider that the issues with the car would reasonably be considered to be fair wear and tear on a car of that age and mileage and I'm not persuaded that the issues that Mr A has experienced cause the car not to have been of satisfactory quality when it was supplied to him.

Mr A notified this service in July 2025 that the car had been stolen and MotoNovo Finance has confirmed that the hire purchase agreement has been settled by Mr A's insurers. Mr A cancelled his direct debit for the monthly payments due under the hire purchase agreement when he received the investigator's initial recommendation. Neither the investigator nor MotoNovo Finance had said that he should stop making those payments and he still had a legally binding hire purchase agreement with MotoNovo Finance at that time. By stopping his payments, he was in breach of the hire purchase agreement. MotoNovo Finance is required to report true and accurate information about Mr A's payments under the hire purchase agreement to the credit reference agencies. I understand that MotoNovo Finance has reported Mr A's missed payments to the credit reference agencies. I'm not persuaded that there's enough evidence to show that the information that it's reported to the credit reference agencies isn't true and accurate.

I appreciate that this decision will be disappointing for Mr A, as I don't consider that MotoNovo Finance has acted incorrectly in these circumstances. I find that it wouldn't be fair or reasonable for me to require MotoNovo Finance to pay any compensation to Mr A, to remove from his credit file any of the adverse information about the hire purchase agreement that it's reported to the credit reference agencies or to take any other action in response to his complaint.

### **My final decision**

My decision is that I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 October 2025.

Jarrod Hastings  
**Ombudsman**