

## **The complaint**

Mr S 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 S under a hire purchase agreement with MotoNovo Finance that he electronically signed in October 2024. The price of the car was £11,644.01, Mr S paid a deposit of £2,000 and he agreed to make 59 monthly payments of £220.31 and a final payment of £221.31 to MotoNovo Finance.

Mr S complained to MotoNovo Finance about issues with the car in February 2025 and says that he'd stopped using the car. MotoNovo Finance arranged for the car to be inspected by an independent expert in April 2025 and then said that it was unable to uphold his complaint as the current faults were thought to have developed since sale and weren't in development or present at purchase. It also said that it was unable to find evidence to support the idea that the car had been remapped.

Mr S wasn't satisfied with its response so he referred his complaint to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't think that MotoNovo Finance had acted fairly. He thought that the car wasn't of satisfactory quality when supplied and that it was fair for Mr S to be able to reject the car. He recommended that MotoNovo Finance should: end the finance agreement and take the car back; refund the deposit, all rentals for the period from 24 February 2025 and 10% of the rentals for the period before then; refund to Mr S his additional expenses of £216 and £120, all with interest; pay him £300 for any trouble and upset that's been caused; and remove any adverse information from Mr S's credit file in relation to the agreement.

MotoNovo Finance hasn't accepted the investigator's recommendation and has requested that this complaint be escalated to an ombudsman for a decision. It says, in summary and amongst other things, that there's no evidence to prove the remap has caused increased wear and tear to the parts in question, the car was over nine years old and had travelled 90,458 miles when it was supplied to Mr S, and he drove the car for over 4,000 miles before raising his complaint.

## 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 S. 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 S was first registered in March 2015, so was more than nine years old, the hire purchase agreement shows that it had been driven for 90,458 miles and the price of the car £11,644.01. 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 was supplied to Mr S in October 2024 and he says that he discovered receipts indicating that the car had been remapped in 2019. There were issues with the car and Mr S paid a garage £216 in February 2025 to investigate those issues. The invoice records the car's mileage as 94,484 miles and says:

*“Investigate customer complaint of intermittent power loss along with intermittent rough running and harsh/hesitant gear changes from DSG automatic gearbox. Run full vehicle diagnostic scan no fault codes present. Check engine oil level and level ok, Check boost pipes for visible leaks or splits and all ok no abnormalities found. During road test the gearbox did on one occasion feel harsh and along with vibration throughout the vehicle and the vehicle felt under powered. No warning lights or fault codes were present when vehicle rescanned with diagnostics. Once vehicle switched off and restarted the vehicle drove as expected. There is a rattle noise from engine and or gearbox and bellhousing area when engine is revved at idle - advised customer noise is abnormal. Customer advised that vehicle has been stage 1 remapped in 2019 - advised customer that the problem may well be a result of the excessive strain and power from the increase in power from the remap and as a result has caused a problem with the engine and gearbox”.*

Mr S complained to MotoNovo Finance two days later and says that he'd stopped using the car. It arranged for the car to be inspected by an independent expert in April 2024. The inspection report records the car's mileage as 94,504 miles and says:

*“We now note that the vehicle's current mileage has been confirmed and the vehicle has covered 4,036 miles since hire to the date of our inspection ... We would conclude that we were able to confirm the vehicle started after extended cranking of an approximate 7 seconds with no warning lights or warning messages; however, excessive grey smoke was emitting from the exhaust with an emissions odour. There was an intermittent misfire noted from cold. We road tested the vehicle where we can confirm the engine misfire and judder was noted during the road test. An intermittent lack of performance was also noted. We can also confirm the brakes were heavily corroded, which was causing a severe shudder under braking conditions. Fault codes were found which would need further investigation. With the elapsed time and mileage covered it is considered that sufficient time and mileage has been covered for the faults to not have been present at the point of sale”.*

Mr S paid the garage that had looked at the car in February 2025 £120 to look at the car again in August 2025. Its invoice records the car's mileage as 94,503 miles and says:

*“Attend customers home address ... and carry out full ECU diagnostics and interrogation of ECU to determine if vehicle has been remapped using specialist dealer level diagnostic equipment. Diagnostic software shows ECU file as corrupt and is an inconsistent file when compared to a standard [manufacturer’s] file. Software and coding versions are not [manufacturer’s] versions. Therefore I can confirm that this vehicle has been remapped using an illicit tuned file. Unable to road test vehicle as customer advised ongoing legal issues”.*

In complaints such as this one, where the evidence is incomplete, inconclusive or contradictory, I have to make my decision on the balance of probabilities and on what I consider is most likely to have happened in light of the available evidence and the wider circumstances. I’ve carefully considered MotoNovo Finance’s responses to the investigator’s recommendation, including what it has said about the remapping and the inspections of the car. I consider it to be more likely than not that the car’s engine control unit was remapped in 2019 and that the remapping has caused the engine issues that were identified by the garage in February 2025 and the independent expert in April 2025.

I consider it to be more likely than not that those issues were present when the car was supplied to Mr S in October 2024 and that they caused the car not to have been of satisfactory quality at that time. Mr S says that he hasn’t used the car since it was looked at by the garage in February 2025 and the mileages recorded since then are consistent with that. MotoNovo Finance says that it’s entitled to one opportunity to repair, but I don’t consider that a repair would be an appropriate remedy in these circumstances. I find that it would be fair and reasonable for it to allow Mr S to reject the car and to take the actions described below.

### **Putting things right**

I find that it would be fair and reasonable for MotoNovo Finance to end the hire purchase agreement and to arrange for the car to be collected from Mr S, both at no cost to him. The hire purchase agreement shows that Mr S paid a deposit of £2,000 for the car. I find that it would be fair and reasonable for it to refund to him the deposit that he paid, with interest.

Mr S says that he stopped using the car on 24 February 2024, after it had been looked at by the garage. I find that it would be fair and reasonable for MotoNovo Finance to refund to Mr S the monthly payments that he’s made under the hire purchase agreement for the period since then, with interest. Mr S’s use and enjoyment of the car will have been impacted by the issues with the car. I find that it would be fair and reasonable for MotoNovo Finance to refund to Mr S 10% of the monthly payments that he’s made under the hire purchase agreement for the period from when the car was supplied to him until he stopped using it, with interest, to compensate him for his loss of use and enjoyment of the car. Mr S was able to drive 4,045 miles in the car. I consider that it’s fair and reasonable for MotoNovo Finance to keep the balance of his monthly payments as payment for the use that he’s had from the car.

Mr S has paid £216 and £120 to the garage that looked at the car. I consider that it would be fair and reasonable for MotoNovo Finance to reimburse Mr S for those costs, with interest. These events have clearly caused distress and inconvenience for Mr S. I find that it would also be fair and reasonable for MotoNovo Finance to pay him £300 to compensate him for that distress and inconvenience.

The investigator said that MotoNovo Finance should remove any adverse information from Mr S’s credit file in relation to the agreement. I’ve seen no evidence to show that it has reported any adverse information about the hire purchase agreement to the credit reference

agencies but, if it has done so, I consider that it should remove that information from Mr S's credit file.

### **My final decision**

My decision is that I uphold Mr S's complaint and order MotoNovo Finance Limited to:

1. End the hire purchase agreement and arrange for the car to be collected from Mr S – both at no cost to him.
2. Refund to Mr S the deposit that he paid for the car.
3. Refund to Mr S the monthly payments that he's made under the hire purchase agreement for the period since 24 February 2024.
4. Refund to Mr S 10% of the monthly payments that he's made under the hire purchase agreement for the period from when the car was supplied to him until he stopped using it.
5. Pay £216 and £120 to Mr S to reimburse him for the costs that he's incurred.
6. Pay interest on the amounts at 2 to 5 above at an annual rate of 8% simple from the date of each payment to the date of settlement.
7. Remove any adverse information about the hire purchase agreement that it's reported to the credit reference agencies from Mr S's credit file.
8. Pay £300 to Mr S to compensate him for the distress and inconvenience that he's been caused.

HM Revenue & Customs requires MotoNovo Finance to deduct tax from the interest payment referred to above. MotoNovo Finance must give Mr S a certificate showing how much tax it's deducted if he asks it for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 December 2025.

Jarrold Hastings  
**Ombudsman**