

The complaint

Mr C complains that the car he acquired through Lendable Ltd, trading as Autolend wasn't of satisfactory quality. He wants Autolend to pay for the cost of a replacement engine.

What happened

Mr C entered into a hire purchase agreement in November 2023 for a used car, with a cash price of £11,650. After taking into account the advanced payment of £400, the credit provided was £11,250 and was to be repaid over the 48-month term of the agreement. The monthly payments were £322.63, which meant the total repayable if the agreement ran to term would be £15,913.86. The car was nearly eight years old at the point of supply and had been driven more than 74,000 miles.

Mr C told us:

- In December 2023, just a month after acquiring the car, he had it inspected by a garage because of concerns he had about its performance;
- the garage said that the timing chain needed replacing, and he paid for this himself;
- the garage also reported oil leaking or blowing around the dipstick area and suggested the dipstick may not have been fitted correctly;
- he's now been told that the car requires a new engine – with excessive crankcase pressure and the related dipstick oil issue being significant contributory factors;
- he's already paid for an additional warranty; some diagnostics; a new timing chain; and an independent inspection; and he's kept up to date with his monthly payments;
- he's had to take out a loan to purchase another car so that he can get to work whilst the car supplied by Autolend is off the road;
- given that the oil issues occurred within a month of his acquisition of the car, and have contributed towards engine failure, he wants the supplying dealership and / or Autolend to take responsibility for what's happened and cover the cost of the replacement engine.

Mr C says he's been misinformed by the supplying dealership about his rights; when he first experienced problems with the timing chain after just three months, he should've had his rights explained to him, and the car should have been returned for repairs at no cost to him.

Autolend rejected this complaint. It said Mr C acquired the car in early November 2023 but didn't raise a complaint with it until January 2025. Autolend said that because of the time that the car had been in Mr C's possession, he'd need to arrange for it to be independently assessed to determine whether the fault he complained of was present or developing at the point of supply. And it provided him with details of some organisations that provide these independent inspections. It said that this was needed because the new faults he complained of appeared to be unconnected with the previous repairs he'd authorised.

Autolend said that although Mr C had paid to have the timing chain repaired some time earlier, he had not notified it of the problems at the time. And it reminded Mr C that as the owner of the car, he needed to inform it when something goes wrong. Because Mr C had not afforded Autolend an opportunity to inspect the car or to provide a resolution, it could not

reimburse him for any costs that arose more than a year before its knowledge of the problem.

Autolend said that Mr C's complaint about the warranty he'd taken out was not something it could address. It explained that it did not sell warranties, and his warranty had not been taken out and financed in conjunction with the hire purchase agreement. It said any complaint he had with the warranty needed to be addressed to the supplying dealership or the warranty provider.

Autolend explained that as he'd acquired a used car – nearly eight years old and driven for more than 74,000 miles – Mr C should expect that components would be subject to wear and tear and would ultimately reach the end of their serviceable life. For these reasons, it said it could not uphold his complaint, and it could not ask the supplying dealership to undertake repairs.

Autolend did say that if Mr C provided further evidence, in particular an independent engineer's report it would look at things again.

Our Investigator looked at this complaint and said she thought it should be upheld. She said she thought the current fault with the car was a result of the previous repairs masking an existing issue, and the premature failure of parts. She concluded that the car was not of satisfactory quality at the point of supply, and she recommended the steps Autolend needed to take to put things right.

Autolend disagreed, so the complaint comes to me to decide. It noted that the independent engineer concluded that there was insufficient evidence to suggest that the issue complained of by Mr C was present at the point of sale. It says this means there's nothing to demonstrate that the faults with the car were present or developing at the point of supply. It noted that Mr C had completed a high number of miles in the car and that the engineer described the fault as being wear-related.

My initial conclusions are set out in my provisional decision issued in October 2025. In it I said I didn't think Mr C's complaint should be upheld, and I explained my reasoning as follows:

"When looking at this complaint I need to have regard to the relevant laws and regulations, but I am not bound by them when I consider what is fair and reasonable.

As the hire purchase agreement entered into by Mr C is a regulated consumer credit agreement, this Service is able to consider complaints relating to it. Autolend is also the supplier of the goods under this type of agreement, and it is responsible for a complaint about their quality.

Under the Consumer Rights Act 2015 ("CRA") there is an implied term that when goods are supplied "the quality of the goods is satisfactory". The relevant law says that the quality of the goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, price and all other relevant circumstances.

The relevant law also says that 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 the goods. So, what I need to consider in this case is whether the car supplied to Mr C was of satisfactory quality or not.

I don't think there's any dispute that Mr C has experienced problems with the car - that has been well evidenced by both his testimony and the documentation he's sent us. It's also clear that Autolend doesn't dispute that there's a problem. Both parties accept that the car engine needs a full replacement. But just because Mr C has had problems with the car, and things have gone wrong, it doesn't necessary follow that the car supplied to Mr C wasn't of satisfactory quality.

In these situations, the instruction of an appropriately qualified and independent engineer to provide findings, opinions, and conclusions about the fault is what's required. And I'm pleased to see that Lendable advised Mr C of this and provided details of organisations able to carry out such inspections.

The third-party instructed to carry out an independent inspection of Mr C's car is a recognised and appropriately qualified expert in this arena. From reading its report, it's clear that it was provided with an accurate background that clearly set out the issues. I say this because the report background says, "Within one month of ownership of the car it developed an AdBlue sensor fault. During diagnostics on 05/12/2024 it was found the timing chain was stretched and needed replacing. At the same time, it was noted 'Engine oil leaks found around top of engine – possible crank case breather leaking - Also looks as though oil has been blowing around dip stick area'. The diagnostics noted 'run engine for short period of time, found engine to be breathing heavy - excessive crank case gas - found a lot of oil around top of engine and also around intercooler hoses also coming from around dip stick area - suspect excessive crank case pressure' - with the recommendation being to replace the engine and turbo".

The engineer confirms the condition reported and complained about. They reported, "We started the vehicle from cold, and the engine was abnormally noisy in operation and displayed a significant misfire leading to an abnormal vibration felt through the vehicle. Upon revving the engine there was significant smoke emitted from the turbocharger or the DPF filter. There was also evidence of significant crankcase pressure build up within the cam cover. Releasing the oil filler cap alleviated the system of significant pressure build up within the system. This would suggest that the vehicle's pistons and cylinder bores have suffered a degree of wear and tear leading to crankcase breathing".

And the engineer noted and took account of the fact that the car had work undertaken, including a new timing chain and glow plugs in January 2024 – around two months after it was supplied. But they also noted that "there was no evidence of significant misfire or running issues following the repairs undertaken...The vehicle has now covered approximately a further 13,000 miles" – the inference being that the current issues appear to have developed in the period after January 2024.

The engineer went on to state that:

- "We suspect that the vehicle's injectors may well have been over fuelling leading to significant wear to the cylinder bores due to washing and a lack of lubrication, this would lead to the faults currently present with the vehicle".*
- "There were 11 fault codes stored within the engine control module, many in relation to the vehicle's internal condition including the injectors, the DPF, glow plug modules, coolant temperature sensors and oil pressure sensors".*
- "The vehicle has suffered significant internal damage as the engine was run and warmed through the engine became noisier in operation which we suspect is leading to significant bottom end damage most likely big end or main bearing damage".*
- "On the basis of what has been seen we are of the opinion that the engine has reached the end of its normal operational life".*

- *“We are of the opinion that the engine is now in condition where it is no longer viable for repair and must be replaced”.*
- *“As the vehicle has covered approximately 15,000 miles since purchase, we are unable to determine if this injector issue and therefore crankcase pressure issue would have been present at sale. We would suggest given the mileage that this would be unlikely...”*

The engineer makes no cautionary statements about the conclusions reached, or that a different conclusion may have been reached with additional information.

The report concludes with the following statements:

- *“Following these repairs at 75,642 miles, no immediate running issues or misfires were noted”.*
- *“It is concluded that the engine has reached the end of its operational life and is beyond viable repair, requiring a full replacement”.*
- *“Given the distance travelled since purchase (approximately 15,000 miles), there is insufficient evidence to confirm that the injector and crankcase pressure issues were present at the time of sale, making it unlikely based on current engineering data”.*
- *“The wear likely developed after the repairs in 2024”.*

The instruction of an independent inspection is what’s required and expected in these circumstances. The engineer concludes that there’s insufficient evidence that the current fault was present or developing at the point of supply, and there’s no indication that it’s the result of failed previous repairs, or that the car has not been durable in view of the mileage driven by Mr C and the time since he acquired it. So, in the absence of any other persuasive and independent evidence to the contrary, I’m satisfied that Mr C’s car was not of unsatisfactory quality when supplied”.

I asked each party to let me have any further information that they’d like me to consider and that I’d not already seen by 7 November.

Autolend said it had no further comments to make.

Mr C says he doesn’t agree with my provisional decision. I won’t repeat all of his submissions here but in summary he says:

- He reported faults with the timing chain and oil leak to the supplying dealership promptly – contacting it in December 2023, and providing additional detail in February 2024;
- He says that the timing chain repair likely masked an underlying defect and that this initial repair altered the engine’s condition, eliminating the ability to prove causation;
- Any uncertainty or inconclusive evidence should be weighed in his favour;
- He shouldn’t have to continue paying for a faulty car.

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.

I'd like to thank Mr C for his comments, and I've considered them alongside all the evidence and arguments submitted by both parties, in order to decide what's fair and reasonable.

It may be helpful at this stage for me to explain that, although a number of points have been raised in response to my provisional decision, I will only be addressing those issues I consider to be materially relevant to the complaint in hand. Both parties should note, however, that although I may not address each individual point raised, I have given careful consideration to all of the submissions before arriving at my decision.

Having considered all of the evidence, I have reached the same conclusions as set out in my provisional decision and for the same reasons. However, I would like to make the following comments:

- Under the Consumer Rights Act 2015 ("CRA"), because Autolend is the supplier of the car under this hire purchase agreement, it is responsible for a complaint about their quality.

Mr C needed to take his initial complaint about the satisfactory quality of the car to Autolend. And it was for Autolend to investigate any complaint about the timing chain and oil leak and decide whether to exercise its one opportunity to repair the car or, alternatively, accept rejection of it if it felt that repairs were not viable.

Mr C did not contact Autolend about the problems with the car until January 2025, by which time he'd *already* had those initial repairs undertaken sometime earlier. And in doing so, he'd not afforded Autolend the opportunity to have the car independently assessed to determine whether the car was of unsatisfactory quality.

- The initial faults with the car were remedied – repairs were undertaken that addressed the problem with the timing chain and oil leak. So even if I were asked to conclude that on the basis of those initial faults the car supplied was not of satisfactory quality, it appears that successful repairs have been completed.
- The instruction of an independent inspection is what's required and expected in these circumstances, and the engineer's report is, in my opinion, the most persuasive piece of evidence in this case. It was a physical inspection of the car by a qualified motor technician. And this inspection did not conclude that the car supplied was of unsatisfactory quality as far as the current faults are concerned.
- As mentioned previously, the car Mr C acquired was more than eight years old and had covered more than 74,000 when it was supplied to him, so it's fair to say the car was far from new. This means that the standard a reasonable person might expect from it would be lower than for a car that had covered fewer miles. Acquiring a used car carries some inherent risks, not least of which is that sooner or later items, or components of the car, will need repair or replacement.
- Mr C had the car for around 14 months, and the car had covered approximately 14,000 miles when the independent inspection was carried out. As previously stated, I'm satisfied that a reasonable person would expect to have to repair or replace some wear and tear components on a used car sooner than they would on a newer one.

In Mr C's case it seems the requirement to replace the engine has come sooner than he was expecting, but I'm not persuaded that means the car wasn't of satisfactory quality when it was supplied to him. I'm more persuaded that the work needed now to repair the car needs doing as a result of wear and tear because the engineer said:

“the engine has reached the end of its normal operational life” and they said it was unlikely, given the mileage driven since purchase – around 15,000 miles – that the issues with the injectors and crankcase pressure were present at the time of sale.

- The summary conclusion was that *“the wear likely developed after the repairs in 2024”*.
- The engineer does not make a finding that that the current fault – and the resultant need to replace the engine
 - Was present or developing at the point of supply; or
 - Was the result of failed previous repairs; or
 - Means that that the car has not been durable in view of the mileage driven by Mr C and the time since he acquired it.

So, in the absence of any other persuasive and independent evidence to the contrary, I can't uphold this complaint.

I know Mr C will be disappointed by my final decision. I know he continues to believe that someone bears responsibility for the fact that the car engine needs replacing. But as I've explained, this isn't something for which I can hold Autolend responsible. There's simply no evidence that the fault necessitating an engine replacement was present or developing at the point of supply, so I can't ask Autolend to pay the cost of a replacement engine.

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 Mr C to accept or reject my decision before 2 December 2025.

Andrew Macnamara
Ombudsman