

The complaint

Mrs S complains about a car supplied under a hire purchase agreement, provided by RCI Financial Services Limited.

What happened

Around June 2023 Mrs S acquired a used car under a hire purchase agreement with RCI. The car is listed with a cash price of £15,264, was around three years old and the agreement notes it had covered 7,614 miles.

Mrs S says around a year later, she found out that there was a mileage discrepancy on an MOT from February 2023. She says she contacted the dealer about this, who eventually offered her £1,000. But she was unhappy with this and later complained to RCI.

RCI issued its final response in August 2024. In summary, RCI said it had photographic evidence that the mileage was 7,595 in March 2023. So, it said the mileage recorded on the MOT must have been due to an administration error by the MOT test site. RCI didn't uphold the complaint.

Mrs S remained unhappy and referred the complaint to our service. She said the price she paid for the car was based on it having a low mileage and so the amount she paid was unfair. She said the situation would make it difficult to sell the car in the future. And she said she wouldn't have acquired the car if she knew about the mileage discrepancy.

Mrs S said she should get back all of the payments she made towards the car.

Our investigator asked RCI for a copy of the information it relied on to confirm the mileage was 7,595 in March 2023. But, it said this was no longer available due to the time that passed.

RCI did however provide a screenshot that it said showed the mileage was 7,610 in May 2023.

Our investigator issued a view and didn't uphold the complaint. She said, in summary, that she thought the mileage recorded on the MOT in February 2023 was inaccurate due to an administration error. So, she didn't think RCI needed to take further action.

Mrs S disagreed. In summary, she said RCI didn't perform enough checks at the time and if it did, she thought the discrepancy could've been corrected.

Our investigator explained that she thought RCI wasn't responsible for the error.

Mrs S disagreed again. She said she should've been notified of the mileage discrepancy when she acquired the car. And she reiterated that she wouldn't have acquired the car if she had known about it.

Our investigator then issued a second view and upheld the complaint. She said she now thought the dealer should've known about the mileage discrepancy and so should've

disclosed this to Mrs S. She explained she thought this meant the car wasn't as described. And she said this meant Mrs S now had a right to reject the car.

RCI responded and said it disagreed. In summary, it said Mrs S was never told the incorrect mileage of the car. And it said the only place there was an error was in the MOT history.

Our investigator explained this didn't change her opinion and said the dealer had an obligation to give Mrs S the mileage records from the MOT history.

RCI remained unhappy, so the complaint was passed to me to decide. I sent Mrs S and RCI a provisional decision on 3 November 2025. My findings from this decision were as follows:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I do not think this complaint should be upheld. I'll explain why.

I'd like to begin by explaining to both parties that I might not comment on every point raised nor every individual piece of evidence. I want to reassure Mrs S and RCI that I've carefully considered everything that's been provided. But I'm going to focus my decision on what I think are the key facts and the crux of the complaint. This reflects the informal nature of our service.

When considering what's fair and reasonable, I take into account relevant law, guidance and regulations. The Consumer Rights Act 2015 ('CRA') is relevant to this complaint. This says, in summary, that under a contract to supply goods, the goods must match a description given.

So, what I need to decide in this case is whether the car matched a description given to Mrs S. I'll also think about whether a misrepresentation took place. I would consider this to be the case if Mrs S was told a 'false statement of fact' about the car, that induced her into entering into the agreement when she otherwise would not have.

The Consumer Credit Act 1974 section 56 ('S56') is also relevant to this complaint. This explains that under the specific circumstances here, RCI are responsible for what the dealer told Mrs S before she entered into the agreement.

So, in summary, I'm going to decide if the car was misrepresented or misdescribed to Mrs S by RCI, or the dealer, prior to her taking out the credit agreement.

Firstly, having reviewed the MOT history for the car I agree the mileage was showing as 21,744 on 25 February 2023. I can see the mileage of the car was recorded on both the credit agreement and the sales invoice from June 2023 as 7,614. And I'm satisfied the odometer likely reflected around the same mileage at this point.

It's worth setting out front what I think was the likely situation with the car. Mrs S originally said she thought the car might have covered a higher mileage than what was recorded on the odometer. I think there are two scenarios to consider here:

Firstly, Mrs S's car might have been 'clocked' or the mileage tampered with. This would mean the mileage on the MOT from 2023 was an accurate reflection of what the odometer showed at the time, but this was later altered prior to Mrs S acquiring it.

Secondly, the person recording the mileage for the MOT in 2023 might have made a simple error such as a typo. This would mean the mileage on the MOT test was inaccurate, and the

odometer was in fact showing a lower mileage at the time.

Having thought about this, I'm satisfied it's more likely that the mileage on the MOT was recorded incorrectly. I say this as I've seen no evidence the car was clocked or the odometer tampered with. I've seen no evidence of the mileage being at near the level recorded at the MOT in 2023 from any other source. Nor have I seen any evidence commenting on the car after a physical inspection, to suggest anything such as parts being more worn than should be expected.

This is a key finding. I say this as when considering if Mrs S was told incorrect information about the car, this means it was not inaccurate to describe the mileage as 7,614. So, I find the car met the description given in the sales documents and wasn't misrepresented.

This then limits what Mrs S could've been told about the car that wasn't true. Mrs S says she wasn't told about the mileage in the MOT history. So, the dealer couldn't have told her a false statement of fact or given a description here about this that wasn't accurate.

Our investigator found that the dealer was obligated to pass on the mileage history from the MOT test to Mrs S when she acquired the car. But respectfully, I don't agree.

I've considered that Mrs S says she was told the car passed an HPI check. I haven't seen enough to persuade me it's most likely this was correct. But, even if it was, my understanding is that a mileage discrepancy would only report once a lower mileage was recorded following a higher one. At the point of supply, this would not have been the case. So, I don't think this would've been inaccurate at the time.

Thinking about all of this, I can't see Mrs S was given an inaccurate description of the car nor told a false statement of fact about it. It follows I don't think her rights under the CRA were breached, nor was the car misrepresented to her.

It is also worth noting that I've not seen evidence Mrs S is at a loss here either way. She said she believes she will struggle to sell the car, but also said the dealer has offered to buy it back. She's explained the car is worth less, but I haven't been shown this. And I've also considered that the terms of the agreement she entered into allow her to return the car to RCI at the end of the term if she wishes, rather than paying the balloon payment and keeping it.

I want to reassure Mrs S that I've carefully considered everything else she said. I do understand her frustration that a garage made an administration error on the MOT test, and I appreciate it must have been upsetting to find this out. But I can only consider specifically if RCI are responsible for what went wrong. And I do not think it is.

I have noted the dealer offered Mrs S £1,000 to reflect what happened. I'd politely suggest it might be worth her contacting it, to see if this would still be available.

I gave both parties two weeks to come back with any further comments or evidence.

RCI said it accepted the decision.

Mrs S responded and made various points for 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.

I've carefully considered what Mrs S said in response to my provisional decision.

In summary, she explained she was told the car had a low mileage when it was sold to her because it was previously owned by a specific individual. I've thought about this, but I still think it likely it had travelled the mileage shown on the odometer. So, this doesn't change my opinion.

Mrs S also said she now believes she may have been given incorrect information about the previous owner. But she hasn't provided any evidence of this, and in any event this point didn't form part of the complaint to RCI. So, I make no findings on this specific issue.

Mrs S said she hadn't been shown 'photographic evidence' of the mileage. I've considered this, but it doesn't change my opinion.

Mrs S said the dealer had only offered her £1,000 if she part exchanged the car for a more expensive one. And she complained about the service she received from the dealer. I've considered this, but I find RCI aren't responsible.

Mrs S said I had found the car likely hadn't been HPI checked, and so the dealer hadn't carried out what it had guaranteed. And she said the check would've shown a discrepancy, which it was negligent not to point out.

In relation to this point, what I said in my provisional decision was that I wasn't persuaded Mrs S was *told* it had passed an HPI check. In any event, I still don't think the mileage would've flagged on this for the reasons I explained.

Mrs S reiterated that she believes the value of the car has been affected and said she may not even be able to sell it at all. But she still hasn't provided anything to confirm this. So, this doesn't change my opinion.

I want to reassure Mrs S that I've carefully considered everything else she said. And I've thought about all of the information on the case again. Having done so, I still think the complaint should not be upheld for the reasons I explained in my provisional decision and set out above.

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 Mrs S to accept or reject my decision before 18 December 2025.

John Bower
Ombudsman