

The complaint

Mr W complains about a car supplied to him using a hire purchase agreement taken out with Lendable Ltd trading as Autolend ("Autolend").

What happened

Towards the end of June 2025, Mr W acquired a used car using a hire purchase agreement with Autolend. The car was around nine years old, the cash price of the car was £15,195, the agreement was for 60 months, made up of 59 regular, monthly repayments of £359.27, followed by a final payment of £345.01. The mileage for the car recorded on the agreement was 46,508 miles.

A few weeks after being supplied the car, Mr W contacted Autolend in August 2025, due to issues he was experiencing with the car. Mr W first informed Autolend about issues with the clutch and air conditioning system. Later, Mr W told Autolend about a brake issue with the car, involving the calipers, brake pads, and disc. Mr W said the car was undriveable until the issue with the brake was rectified. Autolend asked Mr W to show that the faults with the car weren't due to wear and tear.

Mr W supplied a diagnostic report completed by a third-party garage to Autolend. It confirmed the near side rear brake caliper seized due to a mechanical fault, which meant the caliper, pad and disc needed replacing.

Mr W said he was left with no choice but to have the car repaired himself in September 2025 as he didn't receive a response from Autolend. Among other things, Mr W wanted Autolend to reimburse the costs involved in having the car repaired, which was around £650, and included costs of using taxi's for the day. Mr W also wanted monthly repayments made towards the agreement reimbursed due to not having a driveable car at times.

Frustrated with a lack of response from Autolend, Mr W referred his complaint to our service in October 2025.

Shortly after Mr W referred his complaint, Autolend provided him with their final response, where they explained they didn't uphold his complaint. In summary, they:

- Didn't think there was a mechanical issue with the air conditioning system and thought that re-gassing it was part of routine maintenance.
- Didn't think there was any evidence of a clutch failure.
- Hadn't been provided any evidence of a coolant leak, which Mr W said the car had.
- Didn't think Mr W would have been able to drive the car any significant distance, if the issue with the brake caliper was present from the point of supply.

Our investigator upheld Mr W's complaint. She was satisfied there was a fault with the car in relation to the brake caliper, which subsequently damaged the brake pad and disc. And she thought it was likely developing at the point of supply.

Mr W accepted the investigator's outcome. Autolend disagreed. Among other things, Autolend didn't think Mr W would have been able to drive the car for around 2,500 miles with a seized caliper and they said that Mr W only informed them in mid-August 2025 that the calipers were worn and rusty; not seized.

Our investigator reiterated that the issue with the caliper was likely developing at the point of supply. And given that Mr W had informed the supplying dealership within a week or so of being supplied the car about issues he experienced with the brakes, on balance, she thought it meant the car wasn't of satisfactory quality at the point of supply.

Mr W also asked our service to reconsider the £100 distress and inconvenience payment the investigator had instructed Autolend to pay.

As Autolend disagreed, the complaint was passed to me to decide.

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.

Having done so, I'm upholding this complaint and I'll explain why below.

I'm aware I have summarised events and comments made by both parties very briefly, in less detail than has been provided, largely in my own words. No discourtesy is intended by this. In addition, 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 or argument to be able to reach what I think is a fair outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Mr W complains about a car supplied to him under a hire purchase agreement. Entering into consumer credit contracts such as this is a regulated activity, so I'm satisfied I can consider Mr W's complaint about Autolend.

When considering what's fair and reasonable, I take into account relevant law and regulations. The Consumer Rights Act 2015 ("CRA") is relevant to this complaint. The CRA explains under a contract to supply goods, the supplier – Autolend here – has a responsibility to make sure goods are of satisfactory quality. Satisfactory quality is what a reasonable person would expect – taking into account any relevant factors.

I would consider relevant factors here, amongst others, to include the car's age, price, mileage and description. So, it's important to note that the car Mr W acquired was used, nearly nine years old, had been driven around 46,500 miles and cost around £15,200. I think a reasonable person would accept that it would not be in the same condition as a new car and was likely to have some parts that are worn.

What I need to consider is whether the car was of satisfactory quality when it was supplied. And in order to do that, I first need to consider whether the car developed a fault.

Had the car developed a fault?

Mr W has complained about several issues with the car. I will consider each issue in turn for completeness, but I have focussed my findings on issues with the brakes, as this seems to be what is most in dispute here.

The air conditioning system requiring re-gassing – Mr W has said the air conditioning system required re-gassing. However, I don't think the air conditioning system needing to be re-gassed means there is a specific fault with the car. Over time, an air conditioning system may need to be re-gassed and this can be considered as part of normal maintenance of a car. So, from the limited information I have seen, I'm not satisfied there is a fault with the air conditioning system.

An issue with the clutch and a coolant leak – very limited information has been supplied about an issue with the clutch or that the car had a coolant leak. As such, I'm not satisfied from what I have seen that there are specific faults with these aspects of the car.

The brakes and calipers – I've now turned my attention to what I think is the crux of this complaint. Mr G has supplied invoices from September 2025 to show that a brake caliper, disc and pad was purchased and then subsequently fitted to the car. Mr G also supplied a diagnostic report from a third-party garage. The report said:

"Upon inspection, it was found that the N/S/R (Near Side Rear) brake caliper was seized. The caliper was permanently engaged, preventing proper release of the brake.

...

Due to the caliper being stuck in the engaged position, it caused excessive and uneven wear to the brake disc and brake pads, resulting in significant damage that requires replacement.

...

Replace N/S/R caliper, brake disc, and brake pads to restore correct braking operation and ensure vehicle safety."

Given the findings of the diagnostic as well as the invoice supplied for the brake replacement, I'm satisfied there was a fault with the brake caliper, which meant that the brake pad and disc also needed replacing.

Was the car of satisfactory quality at the point of supply?

There are two differing opinions on whether the fault was present or developing at the point of supply.

Mr W has supplied comments made by a third-party garage that said:

"This issue was not due to normal wear and tear, but rather the result of a mechanical fault within the caliper assembly."

Mr W believes that this shows the fault with the brake caliper isn't wear and tear and something that was present when he was supplied the car. Mr W also says he informed the supplying dealership within a couple of weeks, of issues he thought were present with the brake caliper.

On the other hand, Autolend doesn't think the issue with the brake caliper was present or developing at the point of supply as Mr W was able to drive the car for an additional 2,500 miles before it needed replacing. And they said Mr W only informed the dealership that the calipers were rusty in August 2025, not that they were seized.

I want to make it clear that I'm not an expert mechanic. But from a general search online, my understanding is that a brake caliper can seize for various reasons, such as due to external dust, debris or water entering the cylinder, causing pistons to corrode and stick. And while I appreciate Autolend's comments that Mr W wouldn't have been able to drive the car for around 2,500 miles with a seized caliper, again, from a general search online, if a caliper

was *partially* seized, it seems it may have meant the car would have been able to be driven with reduced braking power, or the car pulling to one side.

So, I'm not persuaded by what Autolend has said here, as it seems the car may have been able to be driven for some time with a partially seized brake caliper.

I'm also mindful of what the third-party garage says about the brake caliper, and that they didn't think the issues with it were due to normal wear and tear. And I'm also mindful that Mr W says he informed the supplying dealership of issues with the brake caliper within a couple of weeks of being supplied the car. While I appreciate Mr W may have only told the dealership that the caliper was rusty, I also don't think it's reasonable that Mr W would have had the knowledge that the caliper may have been partially seized, as there's no indication that he is an expert mechanic. Explaining that a brake caliper is rusty is a visual observation, which I think is a reasonable observation for a general person to make.

Considering the fault with the brake caliper presented itself shortly after the car was acquired, and the third-party garage said it wasn't due to wear and tear, I'm satisfied the fault with the brake caliper was likely present or developing at the point of supply. It follows that I think the car was supplied of unsatisfactory quality.

Remedies under the CRA

What I now need to consider is whether Autolend needs to do anything to put things right.

Mr W has explained he had the brake caliper (and other parts resulting from its failure) repaired in September 2025. If Autolend were to reimburse Mr W for the cost of these repairs and parts, then I think, broadly speaking, Mr W's rights under the CRA would have been met. So, I think it is fair and reasonable that Autolend reimburse Mr W for the costs involved in having the brake caliper, pad and disc replaced on 26 September 2025.

Autolend had asked Mr W to provide evidence that the issue with the caliper wasn't due to wear and tear. And so, Mr W provided comments from a third-party garage, which he had to pay for. As I'm satisfied that Autolend should reimburse Mr W for the repairs carried out as I don't think the car was supplied of satisfactory quality, it follows that I also think that Autolend should reimburse Mr W for the costs incurred in him providing this diagnostic report to Autolend.

Mr W has supplied these invoices to Autolend already, so I won't give additional commentary to them here. But, for clarity, the three invoices in question are all dated 26 September 2025 and total £619.85. And this is the amount Autolend should reimburse to Mr W.

Mr W has also informed our service that he was unable to drive his car for around one month due to the issue with the brake caliper. And I can't see that Mr W was provided with other options to be kept mobile, such as a courtesy car. So, I think it is fair and reasonable in this instance that Autolend also reimburse Mr W the monthly repayment he had made towards the agreement for September 2025 to reflect he wasn't able to drive the car at the time. And so, it follows that I don't think Mr W should be reimbursed any costs he's incurred in paying for taxi's during this time, as I am already asking Autolend to reimburse a monthly repayment.

Distress and inconvenience

Mr W has also explained the impact this complaint has had on him. While I appreciate the comments he has made, and that he thinks he should be awarded a higher amount of compensation than what our investigator asked Autolend to pay, I think the £100 suggested

is fair and reasonable in the circumstances.

My final decision

For the reasons I've explained, I uphold this complaint and I instruct Lendable Ltd trading as Autolend to put things right by doing the following:

- Reimburse Mr W £200 for the cost of repairs completed to his car and for a diagnostic report dated 26 September 2025. *
- Reimburse Mr W £180.46 for the cost of the parts required to have his car repaired on 26 September 2025. *
- Reimburse Mr W £239.39 for the cost of the parts required to have his car repaired on 26 September 2025. *
- Pay Mr W £100 to reflect the distress and inconvenience caused by this complaint.
- Reimburse Mr W one monthly repayment of £359.27 for the time he wasn't able to use his car in September 2025. *
- Remove any adverse information from Mr W's credit file in relation to the agreement, if any.

* These amounts should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If Autolend considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mr W how much it's taken off. It should also give Mr W a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue and Customs if appropriate.

If Autolend has already given compensation in relation to this specific complaint, the final amount should be less the amount already given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 29 December 2025.

Ronesh Amin
Ombudsman