

## The complaint

Mrs A complains about a car supplied to her using a hire purchase agreement taken out with MotoNovo Finance Limited (“MotoNovo”).

## What happened

In May 2025, Mrs A acquired a used car using a hire purchase agreement with MotoNovo. The car was under three years old, the cash price recorded was £55,000, the agreement was for 49 months, made up of 48 regular, monthly repayments of £657.60, followed by a final payment of £23,986, which included a £1 option to purchase fee. The deposit payment recorded on the agreement was £11,360.06. The mileage recorded for the car on the agreement was 20,000 miles.

Mrs A said she reported a damaged alloy wheel and a faulty air conditioning system to the supplying dealership within the first month of being supplied the car. It was agreed for the wheel to be repaired and for Mrs A to take the car to a manufacturer garage to have the air conditioning system diagnosed and repaired. Mrs A said she also informed the manufacturer garage of other issues she noticed, such as with the rear passenger window, and the oil change warning light appearing on the car’s dashboard.

Mrs A said some items to the car were replaced under warranty, and during the repairs, rodent damage was identified to parts of the car. Mrs A said the cost to strip the car and identify the full extent of the of damage was quoted to be around £6,000.

Mrs A complained to MotoNovo due to the quality of the car. MotoNovo wanted an independent inspection carried out to the car, but Mrs A initially refused this request as she thought the information she had supplied from the manufacturer garage was enough.

In August 2025, MotoNovo issued their final response to Mrs A, where they partially upheld her complaint in relation to the alloy wheel and air conditioning system. They paid her £200 for the distress and inconvenience caused.

Unhappy with MotoNovo’s response, Mrs A referred her complaint to our service as she thought issues with the car were unresolved, those being in relation to the oil warning light that appeared on the car’s dashboard, a worn tyre, and the damage to the car caused by rodents.

Our investigator upheld Mrs A’s complaint. In summary, he said MotoNovo acted fairly and reasonably in most instances, but thought they needed to reimburse Mrs A for some time she didn’t have use of her car.

Mrs A disagreed with the investigator’s outcome. Among other things, she thought she should be allowed to reject the car.

The investigator explained further why he reached the outcome he did. As Mrs A 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.

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

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 – MotoNovo 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 Mrs A acquired was used, nearly three years old, had been driven around 20,000 miles and cost £55,000. 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?

To be clear, I haven't been supplied any job sheets or diagnostics completed to the car, other than copies of emails produced by the manufacturer garage. Having said that, I don't think it is in dispute in this instance of the reported issues with the car and that there are faults with it.

I say this because, neither Mrs A nor MotoNovo has disputed that the car had a fault to its air conditioning system which required repairing under warranty, and it was agreed for the alloy wheel to be repaired as well. In addition, the calibration issue with a rear window also seems to have been repaired and resolved.

I've also noted the email from the manufacturer garage where they explained they found rodent damage.

Considering the above, I'm satisfied the car had faults with it.

In relation to the oil warning light that Mrs A said appeared on the car's dashboard. I haven't seen enough to conclude that this was a fault with the car. And I'm also not satisfied that the worn tyre is a fault with the car, but rather a wear and tear issue.

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

Given that some of the faults with the car presented itself shortly after the car was acquired, such as in relation to the air conditioning system, the damaged alloy wheel, and the rear window, I'm satisfied these faults were likely present or developing at the point of supply.

Turning my attention now to the damage caused by rodents. I'm mindful here that an opportunity was given for the car to be inspected to determine whether the damage caused by rodents was likely present or developing at the point of supply. My understanding is that this offer wasn't taken up by Mrs A as she believed, among other things, that the information supplied was enough already. However, I don't think it is. As I haven't seen enough evidence to persuade me that the damage caused was present at the point of supply, I'm not satisfied it was.

### Remedies under the CRA

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

*The alloy wheel* – my understanding is that it was agreed that the cost of a local repair to the wheel would be covered and, in the circumstances, I think that is fair and reasonable.

*The air conditioning system* – my understanding is that this was diagnosed and repaired under warranty, at no cost to Mrs A, by the manufacturer garage. So, in broad terms, Mrs A's rights under the CRA had been met here, by a repair being agreed by both parties, and that repair taking place.

*The rear window calibration* – similarly, my understanding is that this issue has been repaired, at no cost to Mrs A, and the issue with the window has now been resolved. So, I don't think MotoNovo needs to do anything in relation to this.

Having said the above, my understanding is that Mrs A didn't have use of the car between 7 July 2025 and 18 July 2025, a period in which I concluded that the car wasn't of satisfactory quality. And so, I think it is fair and reasonable Mrs A is reimbursed a pro rata of any monthly repayments she had made between these two dates.

### Distress and inconvenience

MotoNovo has already paid Mrs A £200 for the distress and inconvenience this complaint has caused her. In the circumstances, I think this is fair and reasonable and I don't think MotoNovo needs to do anything further in relation to this.

### **My final decision**

For the reasons I've explained, I uphold this complaint and I instruct MotoNovo Finance Limited to put things right by reimbursing Mrs A a pro rata of her monthly repayments made from 7 July 2025 to 18 July 2025. This amount should have 8% simple yearly interest added from the time of payment to the time of reimbursement. If MotoNovo considers that it's required by HM Revenue & Customs to withhold income tax from the interest, it should tell Mrs A how much it's taken off. It should also give Mrs A a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue and Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 16 March 2026.

Ronesh Amin

**Ombudsman**